

U.S. DEPARTMENT OF HOMELAND SECURITY

U.S. DEPARTMENT OF TRANSPORTATION

CALIFORNIA STATE LANDS COMMISSION

PUBLIC HEARING IN THE MATTER OF

CABRILLO PORT LIQUEFIED NATURAL

GAS DEEPWATER PORT LICENSE

OXNARD, CALIFORNIA

WEDNESDAY, APRIL 19, 2006

6:30 P.M. TO 9:30 P.M.

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

APPEARANCES

Surlene Grant, Hearing Moderator
Envirocom, Communications Strategies

Mark Prescott, Chief, Deepwater Port Standard Division,
U.S. Coast Guard Headquarters

Dwight Sanders, Chief, Division of Environmental Planning
and Management, California State Lands Commission

Cheryl Karpowicz, AICP, Ecology & Environment, Inc.
International Specialists in the Environment

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1 P R O C E E D I N G S

2 MODERATOR GRANT: My name is Surlene Grant and I
3 am going to be your facilitator for this evening's meeting.
4 This evening's meeting is a continuation of the hearing that
5 we started this afternoon to receive your comments on the
6 revised draft of the Environmental Impact Report for the
7 Cabrillo Port Liquified Natural Gas, or LNG, Deepwater Port.

8 I've said it before, but I want to make sure
9 everybody knows, that if you've come this evening to speak,
10 we need you to fill out a yellow speaker's card. They're at
11 the front desk when you come through the double doors. If
12 you came to speak and you signed up on some other list, that
13 is not the speaker's list. If you've come to speak, you
14 must fill out a yellow card at the registration desk.

15 We have simultaneous translation, of which the
16 announcement has been made. Do you want to announce, again?
17 Okay, thank you.

18 All right, again, the yellow card will be as the
19 order that you have given them to the women and the staff in
20 the front area, is the order that they will come to me. We
21 will take elected officials, first, followed by agency
22 representatives, then followed by individuals and
23 organizations.

24 You will be allowed three minutes to make your
25 comments. When there is one minute left, I will raise the

1 sign that says one minute. It's a bright green sign, which
2 I will dig out in a moment. And then, when there's no time
3 left, you will hear a faint beep from my timer. But if you
4 don't hear it, in case you don't hear it, I will tell you
5 that your time is up.

6 You have three minutes, the time will continue
7 through applause, through tears, through jeers, the time
8 will continue.

9 We have a court reporter, who is documenting all
10 of the conversation, as well as two mikes at the podium.
11 The mikes are very sensitive and they will be able to pick
12 you up through whatever background noise there is, so I
13 encourage you to continue to speak, and speak to the Panel.
14 This is a presentation to the Panel, so please speak to the
15 Panel.

16 Of course, some of you have prepared written
17 comments and some of you would prefer to use written
18 comments, as opposed to speaking. You can submit those
19 written comments to me, they will become part of the public
20 record for this activity this evening, for this hearing.

21 Finally, as I said earlier, this is a continuation
22 of a hearing. If you spoke earlier this afternoon, you are
23 on the record and we have recorded your comments.

24 There are a number of people who have come in this
25 evening, who have not spoken and have not participated, yet,

1 so we would appreciate the opportunity for those who have
2 spoken before, to allow those who haven't spoken an initial
3 opportunity to do so.

4 There are several speakers already and more will
5 probably come throughout the evening. If you want to know
6 where you are in the process, the people at the front
7 registration desk will have a list and they will be able to
8 indicate to you where you are in the process.

9 If you have to leave the room and come back, and
10 you want to know if your name has been called, we will be
11 able to tell you that.

12 At this moment, we're going to have some
13 introductory comments by our Panel, starting with Dwight
14 Sanders.

15 MR. SANDERS: Good evening, ladies and gentlemen.
16 My name is Dwight Sanders, I'm the Chief of the Division of
17 Environmental Planning and Management, California State
18 Lands Commission.

19 The State Lands Commission has two significant
20 roles in the proposed project. First, the Commission has
21 received an application from BHP Billiton to use State
22 lands, offshore California, to place two natural gas
23 pipelines associated with the proposed Cabrillo Port
24 project.

25 Secondly, and the reason that we are here today,

1 and this evening, the Commission is the lead agency under
2 the provisions of the California Environmental Quality Act
3 and, as such, it's responsible for the completion of the
4 environmental document for this project.

5 The Cabrillo Port LNG -- the Cabrillo Port LNG
6 project EIS/EIR was published in October 2004. Many of you
7 who are here in this room may have been with us two years
8 ago, when we held the hearings here, on that document.

9 As a consequence of the comments that we have
10 received, the lead agencies and the applicant subsequently
11 revised key elements of the project, which will be described
12 to you later in the presentation.

13 Commission staff also determined that the project
14 modifications and related potential impacts constituted
15 "significant new information," as defined under the
16 California Environmental Quality Act, and has prepared and
17 recirculated the revised draft document for your additional
18 public comment.

19 As Surlene indicated, the purpose of this hearing
20 is to receive comments from everyone on the adequacy of the
21 analyses within the revised draft EIR.

22 While staff appreciates the project has generated
23 controversy and concern, comments or statements as to either
24 support or opposition will not help us complete the final
25 document, as we hope to do.

1 The public comment period for the document is
2 designated to end April 28th. We believe, however, that an
3 extension of time will serve the public interest by
4 providing increased opportunity for the submission of
5 comments.

6 We have decided, therefore, to extend the comment
7 period by two weeks, that is until May 12th. This extension
8 will result in a 60-day public review period.

9 No consideration of the project will occur until a
10 final environmental document is prepared and released, and
11 this will not happen until sometime later this year.

12 Under the California Environmental Quality Act,
13 the Commission will consider the final EIR. Should the
14 Commission certify the Environmental Impact Report, the
15 Commission would subsequently consider whether to approve or
16 deny BHP Billiton's application for a pipeline right-of-way
17 lease.

18 With me tonight are Mark Prescott, on my right,
19 representing the U.S. Coast Guard, and Cheryl Karpowicz on
20 my far right, representing Ecology and Environment, our
21 environmental consultant.

22 And you've already been introduced to Surlene, who
23 will serve as our facilitator this evening.

24 Thank you so much for attending tonight and giving
25 us your comments on the document.

1 MR. SANDERS: Thank you, Dwight.

2 Good evening, as Dwight said, my name is Mark

3 Prescott, I'm the Chief of the Coast Guard Deepwater Port

4 Standards Division, at Coast Guard Headquarters in

5 Washington D.C. My office is responsible for processing all

6 deepwater port applications in cooperation with the Maritime

7 Administration.

8 We are the lead Federal agencies for the

9 development of the Environmental Impact Statement, which we

10 are preparing as a joint document with the California State

11 Lands Commission.

12 As Dwight mentioned, the California State Lands

13 Commission determined that the Cabrillo Port LNG Deepwater

14 Port Environmental Impact Report, or EIR, would be

15 recirculated to meet the requirements of the California

16 Environmental Quality Act.

17 The Draft EIR was initially published as a joint

18 State and Federal Draft EIR, Draft EIS in October of 2004.

19 The Coast Guard and the Maritime Administration

20 determined that recirculation of the Draft Environmental

21 Impact Statement was not required to meet the Federal

22 requirements of the National Environmental Policy Act and

23 other Federal regulations.

24 The purpose of me being here, while the Coast

25 Guard and MARAD have determined that under NEPA

1 recirculation of the 2004 Draft EIS is not required, the
2 Coast Guard and MARAD fully support the California State
3 Lands Commission's efforts to satisfy CEQA requirements by
4 recirculation of the Draft Environmental Impact Report.

5 I'm here to help explain that role and to
6 demonstrate our continued support and cooperation with the
7 State. It is our intention to continue to work closely with
8 the State and we will consider all comments received on the
9 Draft Environmental Impact Report for appropriate
10 incorporation into the final Environmental Impact
11 Statement/Environmental Impact Report.

12 We fully expect to jointly produce a single, final
13 EIS/EIR later this year, that will serve as the basis for
14 State and Federal decision-making.

15 The Coast Guard, MARAD, and other Federal agencies
16 cooperating in this process, and in cooperation with our
17 State of California partners are all committed to working
18 together to achieve a fair, open, and unbiased environmental
19 review that examines all relevant issues.

20 With that in mind, your comments this evening,
21 we're hoping to hear about issues related to the
22 Environmental Impact Report. We encourage and invite public
23 participation throughout this process.

24 You may also follow the Federal process on the
25 Federal docket, which is the DOT Docket Management System,

1 that can be found on the internet. The docket number is
2 16877. And that information is also available in the notice
3 put out by the State.

4 At this time, Cheryl Karpowicz, of Ecology and
5 Environment, will give a description of the project, along
6 with describing changes that took place in the Draft EIR,
7 the recirculated document.

8 MS. KARPOWICZ: Thank you, Mark.

9 Can everyone hear me? Thank you.

10 The California State Lands Commission and the U.S.
11 Coast Guard have hired Ecology and Environment,
12 Incorporated, to assist them in preparing an independent,
13 third-party Environmental Impact Statement/Environmental
14 Impact Report.

15 Our contract is with the California State Lands
16 Commission and we are working directly for Dwight Sanders
17 and Mark Prescott.

18 Our job has been to independently verify
19 information that has been submitted by BHP Billiton, to
20 analyze alternatives and potential impacts, and to assist
21 the Coast Guard and the Lands Commission to prepare the
22 document for public review and comment.

23 We received several requests to translate the
24 Revised Draft EIR into Spanish, which we did.

25 Tonight, we have facilities available for

1 simultaneous Spanish translation. We also have several
2 people in attendance who would be happy to assist you to
3 make your comments in Spanish.

4 Now, I'm going to welcome the Spanish-speaking
5 community.

6 (Spanish Welcome.)

7 MS. KARPOWICZ: Tonight, we look forward to
8 hearing your comments regarding the Revised Draft EIR, which
9 incorporates comments received during the 2004 comment
10 period. We will respond to all comments in the final
11 EIS/EIR, which we plan to publish and distribute during the
12 summer of 2006.

13 Here is a map of the proposed project location in
14 the region. The Deepwater Port would be located about 14
15 statute miles or 12.01 nautical miles offshore, at the
16 closest point to land. This is the only place where LNG
17 will be handled.

18 Onshore, a metering station and other facilities
19 would be built, and underground pipelines would transport
20 natural gas through Oxnard and/or Ventura County, and in
21 Santa Clarita, to the existing Southern California Gas
22 system.

23 This graphic shows a schematic of the location of
24 the offshore LNG port and components of the project.

25 Here, you see the offshore components. The

1 floating storage and regasification unit, or FSRU, would be
2 anchored offshore and would connect with two subsea
3 transmission pipelines that would lie on the ocean floor.

4 Closer to shore, the pipelines would be installed
5 beneath the beach at the Reliant Ormond Beach Generating
6 Station and would connect with the metering station, and
7 then to the proposed Center Road pipeline.

8 The two proposed onshore pipelines, the Center
9 Road pipeline and Oxnard, in Ventura County, and the line
10 225 pipeline route in Santa Clarita are shown here.

11 There have been a number of changes to the
12 proposed project since we last met with you. All of these
13 changes have been incorporated in the Revised Draft EIR.
14 I'd like to just briefly list them.

15 Some dimensions of the proposed FSRU are larger,
16 including the one which is now 971 feet, up from 938.

17 The natural gas odorant would be injected on the
18 FSRU to aid in leak detection.

19 The safety zone would be measured from the stern
20 of the FSRU and not from the mooring point, increasing the
21 size of the safety zone.

22 The U.S. Environmental Protection Agency has
23 determined that Federal prevention of significant
24 deterioration, or PSD, requirements do not apply to the
25 project, since maximum emissions fall below major source

1 thresholds.

2 To reduce air emissions, fewer support vessels
3 would be used and they would operate on natural gas, instead
4 of diesel.

5 The route of the offshore pipelines has been
6 revised, following geotechnical analyses, to reduce the
7 potential for a turbidity flow to affect the pipelines.

8 Pipeline installation at the shore crossing would
9 use a technology less likely to release fluids during
10 construction.

11 The Center Road pipeline would be rerouted to
12 bypass Mesa Union School.

13 Additional pipeline safety features would be
14 included to reduce impacts in case of a natural gas release.

15 These changes have been analyzed in the Revised
16 Draft EIR.

17 One of our jobs in preparing the report is to
18 analyze both the proposed project and a range of
19 alternatives. The alternatives we examined are shown on
20 this map and include the no-action alternative, an
21 alternative port location, alternative shore crossings,
22 three alternatives to the Center Road pipeline, and an
23 alternative to the Santa Clarita pipeline.

24 We evaluated a broad range of environmental issues
25 and resources for analysis, as contained in the Revised

1 Draft EIR. In all, we identified 97 potential impacts and
2 85 mitigation measures. Twenty impacts, in nine resource
3 categories, would remain significant after mitigation.

4 Thank you. We look forward to your comments.

5 MODERATOR GRANT: Thank you. Okay, as we've all
6 stated, we're here this evening to receive your comments to
7 the Panel, on the Environmental Impact Report for this
8 project.

9 If you wish to speak, again, fill out the yellow
10 speaker card. You will be given three minutes to make your
11 comments. After two minutes, with one minute remaining, I
12 will place this piece of paper up at the front, allowing you
13 notice that you have one minute. When that time is up, you
14 may be able to hear my faint timer beep but, if you don't, I
15 will let you know that your time is up and you must end your
16 comments at that moment.

17 I'm going to call up speakers about five or six at
18 a time. We have some seats reserved right here in the
19 front. When you hear your name, move toward the front so
20 that you can be ready to speak. When it is your turn to do
21 so, please do so.

22 As a courtesy to everyone, please turn off your
23 cell phones or put them on vibrate.

24 And also, in case you need to know, the restrooms
25 are right outside the main entrance here, right behind the

1 registration desk.

2 The first grouping, as I indicated before, will be
3 elected officials. Our first speaker will be Mayor Tom
4 Holden, followed by Denis O'Leary, John Zaragoza, Julia
5 Brownley, David Doepel. If you could all make your way to
6 the front and, Mayor, if you could come to the podium,
7 please.

8 MR. HOLDEN: Good evening. Thank you to the Panel
9 Commission, Coast Guard.

10 My name is Tom Holden, I'm the Mayor of the City
11 of Oxnard, this wonderful city.

12 I'd like to first -- it's a little awkward, I know
13 we're talking to the panel, but I first would like to thank
14 all the members of the community who are here this evening.
15 This is one of the most important issues we have faced in
16 some time and will face, and it's extremely important that
17 they be here.

18 I'm going to read a prepared letter, that's being
19 sent to Mr. Sanders, at the California State Lands
20 Commission. It was just approved last night at City
21 Council, but the community hasn't had a chance to hear it,
22 and I'm going to read that into the record.

23 "Dear Mr. Sanders, as a responsible
24 agency with permitting authority over
25 the pipeline associated with the

T004-1

Section 1.6 recognizes the roles and responsibilities of the City of Oxnard with respect to the proposed Project and each of the impact examples provided are identified and discussed in the March 2006 Revised Draft EIR as evidenced by the resource topics within Chapter 4.

T004-1

1 Cabrillo Port LNG project, the City
2 Council of the City of Oxnard is deeply
3 concerned with the potential impacts on
4 the Oxnard community from the operation
5 of the proposed floating storage and
6 regasification unit and associated
7 subsea and terrestrial pipelines
8 proposed by BHP Billiton. The City of
9 Oxnard has permit authority over the
10 portion of the pipeline that traverses
11 the coastal zone. Other portions of the
12 terrestrial pipeline, within the City
13 limits, are subject to franchise
14 regulations and encroachment permits for
15 the right of way. The proposed port and
16 large diameter, high-pressure pipeline
17 represent significant and unavoidable
18 impacts. Significant and unavoidable
19 impacts during project operations would
20 be potential public safety impacts from
21 high energy, marine collision, or damage
22 to the subsea pipeline. Other examples
23 are impacts on marine biology, air
24 quality, and water quality impacts from
25 a significant spill or LNG release from

T004-1
Continued

T004-1 Continued

15

1 the FSRU or offshore pipelines,
 2 aesthetics, noise, and recreational
 3 impacts for boaters traveling near the
 4 Cabrillo Port. Impacts during
 5 construction would be noise impacts on
 6 marine biology and water quality impacts
 7 that could result from a significant
 8 spill or LNG release. Onshore impacts
 9 during project operations would be
 10 public safety impacts, resulting from
 11 damage to onshore pipelines and the
 12 permanent loss of acres of agricultural
 13 land in Ventura County. During
 14 construction, significant onshore
 15 impacts would be air quality impacts,
 16 noise and vibration impacts near project
 17 construction sites, and transportation
 18 impacts. Enclosed, please find the City
 19 comments on the Revised EIR Draft. The
 20 City has concerns particularly regarding
 21 the level analysis of the project
 22 alternatives, as well as the
 23 demonstrated need for this project,
 24 given the proposal for several other LNG
 25 facilities along the California and Baja

T004-1
Continued

T004-2

Sections 1.2, 3.1, 3.2, 3.3.1, 3.3.2, 3.3.3, contain information on the range of alternatives evaluated. Sections 4.10, and 4.10.1.3 contain information on California's Energy Action Plan, including the roles of energy conservation and renewable energy. Under NEPA and the CEQA, a reasonable range of alternatives must be considered. NEPA requires consideration of a "reasonable" number of alternatives. In determining the scope of alternatives, the emphasis is on "reasonable." "Reasonable" alternatives include those that are practical and feasible from the technical and economic standpoint and using common sense (CEQ 40 Questions; #2a). The information must be sufficient to enable reviewers and decision-makers to evaluate and compare alternatives.

The State CEQA Guidelines section 15126.6(a) provides, in part, "An EIR shall describe a range of reasonable alternatives to the project, or to the location of the project, which would feasibly attain most of the basic objectives of the project but would avoid or substantially lessen any of the significant effects of the project, and evaluate the comparative merits of the alternatives. An EIR need not consider every conceivable alternative to a project."

The EIS/EIR initially evaluated 18 locations for the FSRU as potential locations for the deepwater port. It built on previous California Coastal Commission studies that evaluated nearly 100 locations. Sections 3.3.7 and 3.3.9 discuss alternate locations and technologies that were considered.

T004-2

T004-3

Sections 1.2.2 and 1.2.3 contain information on natural gas needs in the U.S. and California. Forecast information has been obtained from the U.S. Department of Energy's Energy Information Agency and from the California Energy Commission. Section 4.20.3 discusses cumulative impacts.

T004-3

16

1 California coast. Included, also, are
2 comments regarding specific analysis
3 within the document. And we have
4 submitted significant and extensive
5 comments on the EIR."

6 I have a few seconds I would like to comment,
7 thank you. They're in your hand, I think we hand-delivered
8 them.

9 Now, I'd like to comment on Tom Holden, a father
10 and the Mayor of the City of Oxnard. I have three young
11 children, 10, 9, and 5, and it's very easy for me to set
12 policy in the City, and it's how decisions like this will
13 affect them in the future.

14 You know, the City of Oxnard has been host to many
15 regional issues over the last many years. We supply
16 electricity, we provide a host of landfills, and at some
17 point we say enough is enough.

18 So I would plead with the community, please --
19 (Applause.)

20 MR. HOLDEN: Please, I would really like time. I
21 would plead to the Commission and the Panel, that when you
22 hear testimony today, you hear it personally, up front, from
23 families. Because I know as we make policy and we set
24 decisions, and we go back to our offices, those decisions
25 are done. But we have those decisions to live with for the

T004-4

T004-4

In accordance with NEPA and the CEQA regulations, the lead Federal and State agencies have responded specifically to all comments, both oral and written, that concern the Project's environmental issues received during public comment periods. All comments and responses are included in the Final EIS/EIR.

T004-5

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-5

T004-5 Continued

17

1 rest of our lives here, in this community, and I know were'
2 all up to the same thing. Sometimes the impacts are more
3 significant on others, than would like to bear it.

4 So with those comments, I know you have a lot of
5 comments this evening and, once again, I implore you to take
6 our comments to heart regarding the EIR and the process, and
7 I know you'll make the best decision. Thank you.

8 (Applause.)

9 MODERATOR GRANT: Thank you, Mayor. The Mayor
10 went over time a little, but we will try to adhere to the
11 three-minute rule. Thank you.

12 Please state your name for the record?

13 MR. O'LEARY: I'm Denis O'Leary, I'm a School
14 Board Trustee for the Oxnard School District.

15 The Oxnard School District has 16,000 students, K
16 through eighth grade, in 20 schools. We also employ 800
17 teachers and 600 classified employees.

18 In November of last year, our School Board was
19 very interested in this subject, as is the community, and we
20 invited representatives from BHP, from the Sierra Club, and
21 from the California Department of Education to tell us their
22 different views of this project and how it would impact our
23 school district, our children, and our employees and their
24 families.

25 We also later came out with a resolution, that I'd

T004-5
Continued

T004-6

Thank you for the information.

T004-6

1 like to read in part.

2 "Whereas the LNG project will

3 significantly contribute to the air

4 pollution and otherwise adversely affect

5 the environment, the terminal, itself,

6 will emit about 270 tons of smog-

7 producing air pollution a year that

8 could have significant health impacts on

9 the people of Ventura County,

10 particularly the school children and

11 elderly; and whereas the huge pipeline

12 will be placed dangerously close to

13 schools, residences, and hospitals, and

14 it is the District's responsibility to

15 protect the health of our students,

16 protect the air quality, and include the

17 safety impact of all concerned; now,

18 therefore, be it resolved that the Board

19 of Trustees of the Oxnard School

20 District hereby take an opposed position

21 to the proposed Cabrillo Port Liquified

22 Natural Gas Deepwater Port Project

23 because of the adverse effects on the

24 City of Oxnard, the students, employees,

25 and families, and the potential adverse

T004-7

The Project has been modified since issuance of the March 2006 Revised Draft EIR. See Section 1.4.2 for a summary of Project changes. Section 4.6.1.3 contains revised information on Project emissions and proposed control measures. Section 4.6.4 discusses the health effects attributed to air pollutants and includes revised impacts and mitigation measures.

T004-7

T004-8

Section 4.13.1 contains information on sensitive land uses in proximity to proposed and alternative pipeline routes, such as schools and hospitals. There are no schools in the immediate vicinity of either of the proposed pipeline routes. Section 4.2.8 describes regulations regarding pipelines, including the requirement to establish public education programs to prevent and respond to pipeline emergencies. Section 4.2.8.4 contains information on the estimated risk of Project pipeline incidents. Section 4.16.1.2 describes emergency planning and response capabilities in the Project area.

T004-8

The proposed alignment of the Center Road Pipeline along Hueneme Road is adjacent to the southern boundary of the proposed Ormond Beach Specific Plan Area. The Applicant has also incorporated measure AM LU-1 into the proposed Project (see Section 4.13.4). As allowed by existing franchise agreements SoCalGas has with the City of Oxnard, this Applicant measure would align the Center Road Pipeline in the ROW of the future McWane Boulevard, south of Hueneme Road between Edison Drive and Arnold Road, if this routing of McWane Boulevard were to be approved and constructed prior to the construction of the Center Road Pipeline.

T004-9

The proposed pipelines within Oxnard city limits would meet standards that are more stringent than those of existing pipelines because they would meet the minimum design criteria for a U.S. Department of Transportation (USDOT) Class 3 location. Also, MM PS-4c includes the installation of additional mainline valves equipped with either remote valve controls or automatic line break controls. SoCalGas operates high-pressure natural gas pipelines throughout Southern California.

T004-9

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-9
Continued

1 effects on the Oxnard School District,
2 students, schools, and residents
3 thereof."

4 We adopted this on November 16th, 2005. I will be
5 giving you a copy in a second.

6 Also, as a teacher and as a parent, I moved to
7 Oxnard about 13 years ago in part because this was an ideal
8 place to raise my three children, as well. I am a teacher,
9 every day I see students come to my classroom, and their
10 families decided the same.

11 With my involvement with the School District, as I
12 said, I'm in charge of 16,000 students. And just as I want
13 to deliver the best education possible to my students, with
14 good curriculums, a good learning environment, with
15 excellent teachers and staff, I also want our community to
16 be safe. This project doesn't meet that threshold and I'm
17 very concerned for my children and the children that I'm
18 connected with.

19 And I would appreciate your looking into this
20 matter and I hope that the community will be a safe
21 environment. Thank you.

22 MODERATOR GRANT: Thank you.

23 (Applause.)

24 MODERATOR GRANT: The next speaker is John
25 Zaragoza.

20

1 MR. ZARAGOZA: Thank you, Mr. Sanders. My name is
 2 John C. Zaragoza, Council Member for the City of Oxnard.
 3 I'd like to read a letter into the record.
 4 "As a private citizen and member of the
 5 City Council, of the City of Oxnard, I'm
 6 deeply concerned with the potential
 7 impacts on the Oxnard community from the
 8 operations of the floating storage and
 9 regasification unit associated with the
 10 subsea and also the land pipes proposed
 11 by BHP Billiton. The City of Oxnard has
 12 permit authority over the portion of the
 13 pipeline that traverses the coastal
 14 zone. Other portions of the land
 15 pipeline, within the City limits, are
 16 subject to the franchise regulations and
 17 encroachment permits per right of way.
 18 After the release of the two
 19 environmental reports by your agency,
 20 there's still seven unavoidable
 21 environmental impacts related to the
 22 project. And they are, number one, the
 23 release of the LNG due to collision or
 24 attack. Number two, the release of
 25 natural gas due to subsea or onshore

T004-10

Section 1.6 recognizes the roles and responsibilities of the City of Oxnard with respect to the proposed Project.

T004-11

The EIS/EIR contains substantial mitigation to avoid or reduce potential significant impacts to a level below significance criteria.

T004-10

The EIS/EIR identifies and assigns significance to all levels of impacts as required by NEPA. The EIS/EIR also identifies unavoidable significant (Class I) impacts. The Administrator of MARAD under the authority of the Deepwater Port Act, the California State Lands Commission, and the Governor of California have to balance the benefits of the Project against its unavoidable environmental risks. In accordance with section 15093 of the State CEQA Guidelines, the CSLC would have to make a Statement of Overriding Considerations addressing Class I impacts prior to approval of the proposed pipeline lease application.

The lead Federal and State agencies share the responsibility to ensure that mitigation measures are implemented. Table 6.1-1 in Chapter 6 is the basis for the Mitigation Monitoring Program, which would be implemented, consistent with section 15097(a) of the State CEQA Guidelines, to ensure that each mitigation measure is incorporated into Project design, construction, operation, and maintenance activities.

T004-11

T004-11 Continued

21

1 pipeline damage. The release of natural
 2 gas due to the operational or natural
 3 incident or accident. The increased
 4 consequences of natural gas release and
 5 fire. The increased incidence of
 6 injuries and fatalities in outdoor
 7 activities. The alteration of views for
 8 recreation of boaters. The alteration
 9 of offshore recreational experience.
 10 Also, I'm personally concerned over the
 11 fact that many of the City comments made
 12 in the 2004 EIR/EIS were either
 13 partially addressed or not addressed at
 14 all. The Revised Draft EIR, released
 15 last month, some of the areas that were
 16 not addressed were project alternatives,
 17 public safety issues, biological land
 18 use, and transportation."
 19 And also, I just want to thank you so much for the
 20 opportunity to share this information with you, today. And,
 21 also, I'd like to share with the Board members that I'm a
 22 fourth generation Oxnarder. My grandpa came here over 100
 23 and some years ago. My dad was born here, I was born here,
 24 my son was born here, and my grandkids are here today, too,
 25 and they're very, very concerned about this LNG, and they're

T004-11
Continued

T004-12

Responses to comments in the Oxnard City Council's 2004 comment letter are included in this document as 2004 Comment Letter L002. Table 1.4-1 lists the topics and issues raised during scoping and in public comments on the October 2004 Draft EIS/EIR and indicates where such are addressed in the March 2006 Revised Draft EIR. Section 1.5 contains information on public review and comment opportunities. In accordance with NEPA and the CEQA regulations, the lead Federal and State agencies have responded specifically to all comments, both oral and written, that concern the Project's environmental issues received during public comment periods. All comments and responses are included in the Final EIS/EIR.

T004-12

Chapter 3 contains information on alternatives. Section 4.2 contains information on public safety. Section 4.7.4 contains information on marine biological impacts and mitigation. Section 4.8.4 contains information on terrestrial biological impacts and mitigation. Section 4.13.4 contains information on land use impacts and mitigation, including the Channel Islands National Marine Sanctuary. Section 4.17.4 contains information on transportation impacts and mitigation.

T004-13

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-13

T004-13 Continued

22

1 very afraid. They talk to me about it every single time,
2 they say, Grandpa, please tell Dwight to stop the LNG.

3 Thank you so much.

4 (Applause.)

5 MODERATOR GRANT: Thank you. Julia Brownley.

6 MS. BROWNLEY: Thank you. Good evening, my name
7 is Julia Brownley and I am the President of the Santa
8 Monica/Malibu School Board. I speak here tonight with the
9 welfare of the children of my district in mind.

10 I speak tonight to object to the BHP LNG facility,
11 There are many reasons to object. Safety risks, the marine
12 environment, visual blight, air pollution. These concerns,
13 alone, merit rejection of this proposal.

14 However, I have a broader policy concerns in mind.
15 Is this the direction we want our State and our national
16 energy policy to go? Should we really be increasing our
17 reliance upon imported natural gas? Shouldn't we get
18 serious about reducing greenhouse gas emissions that cause
19 global warming, by moving away from reliance upon fossil
20 fuel.

21 (Applause.)

22 MS. BROWNLEY: I object to a project which
23 increases our nation's reliance on foreign energy resources.
24 This is the path we took after the energy crisis of the
25 seventies, just import more oil, rather than cutting back on

T004-13
Continued

T004-14

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-15

Each of these points is identified and discussed in the March 2006 Revised Draft EIR. Section 4.2 and Appendix C contain information on public safety. Section 4.7.4 discusses marine biological resources. Section 4.4.4 discusses aesthetics. Section 4.6.4 discusses air quality.

T004-16

Sections 4.6.1.4 and 4.6.2 contain information on Project emissions of greenhouse gases and recent California legislation regarding emissions of greenhouse gases.

T004-14

T004-15

T004-17

Section 1.2 discusses dependence on foreign energy sources.

T004-16

T004-17

T004-17 Continued

23

1 gas-guzzling automobiles and wasteful petroleum use.

2 That path has led us to a rapidly rising gas

3 prices, economic vulnerability, international conflict in

4 Iraq, and waterway environmental damage, including increased

5 emissions of greenhouse gases.

6 That was the wrong path for California and America

7 then, and it is the wrong path, now.

8 (Applause.)

9 MS. BROWNLEY: Our first priority must be

10 given -- our first priority must be given to improving the

11 efficiency with which natural gas is used.

12 The second priority must be to expand the use of

13 proven, clean alternatives, like wind, geothermal, and

14 solar.

15 When is it time for us to finally acknowledge that

16 we have a responsibility to the future? I think the time is

17 now. We have a responsibility to chart a course towards

18 energy self-reliance. We can do that now.

19 We have a responsibility to reduce the use of

20 fossil fuels that cause greenhouse gas emissions, we can do

21 that now.

22 This project moves us exactly in the wrong

23 direction, it should be rejected. Rejecting this project is

24 how we will get on the path to energy self reliance and a

25 sustainable California. Thank you very much.

T004-17
Continued

T004-18

Sections 1.2.2, 1.2.3, 1.2.4, 3.3.1, 3.3.2, and 4.10.1.3 contain information on the need for natural gas, the role and status of energy conservation and renewable energy sources, and the California Energy Action Plan.

T004-19

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-18

T004-19

T004-20
Thank you for the information.

24

1 (Applause.)

2 MODERATOR GRANT: Thank you. The next speaker is
3 David Doepel.

4 While Mr. Doepel is coming, the next speakers will
5 be Barry Groveman, Jesus Torres, and Tim Flynn. And Mr.
6 Groveman, Mr. Torres, and Mr. Flynn, please move towards the
7 front.

8 Also, for the people standing, there are seats
9 right here, that I can see, there are about 10 or 15 seats
10 scattered in the audience here. I'm not sure what's up
11 close front, on the other side. So if you want to come down
12 to the front, there are some seats available.

13 Mr. Doepel.

14 MR. DOEPEL: Thank you. Good evening.

15 My name is David Doepel and I'm the Regional
16 Director, in the United States, for the Western Australian
17 Trade and Investment Office.

18 I believe it's important for Californian's to
19 understand a little about where the proposed LNG will be
20 sourced and the standards under which it is extracted and
21 processed.

22 Australia is a country that's a federation made up
23 of six states and two territories. The State of Western
24 Australia occupies the western third of our continent. It
25 is six times the size of California, we have nine times the

T004-20

1 coastland, the stewardship of which we take very seriously.

2 Western Australia is governed both by our federal
3 Australian laws and our state laws.

4 BHP Billiton is proposing to obtain natural gas
5 from the offshore northwest region of our state, process it
6 onshore, in our state, into LNG, and to export LNG by
7 purpose-filled vessels to California.

8 In Western Australia we have extremely high
9 standards for environmental protection, pollution control,
10 workers' safety, and preservation of sacred Aboriginal
11 sites. These standards are policed and enforced with
12 serious penalties available for noncompliance.

13 Similarly, to the process that you're conducting
14 here, we encourage and require public involvement in our
15 environmental assessment processes. This insures that all
16 the issues can be raised and are considered by our
17 independent environmental protection agency in making its
18 recommendations to government.

19 We already have a number of large, similar complex
20 projects in operation, that have been subjected to our
21 rigorous evaluation and regulation processes and are
22 governed by stringent environmental laws.

23 BHP Billiton has operated many projects in our
24 state and has been a good corporate citizen.

25 In summary, on behalf of the state government of

T004-20
Continued

T004-20 Continued

26

1 Western Australia, I can insure you that the LNG to be
 2 produced by BHP Billiton will meet the very high standards
 3 required and enforced by both our state and our federal
 4 governments.

5 I thank you for your time.

6 MODERATOR GRANT: Please begin, Mr. Groveman.

7 MR. GROVEMAN: Thank you very much for the
 8 opportunity to speak. My name is Barry Groveman and for the
 9 past year I've served as Mayor of Calabasas. I'm currently
 10 a Council member. I've been a city attorney for cities and
 11 school districts throughout California. I am and have been
 12 the author, the principle author of Proposition 65, which is
 13 California's landmark Safe Drinking Water and Toxic
 14 Enforcement Act, in 1986, in its twentieth year. And I've
 15 served as an environmental lawyer for almost 30 years.

16 I just have a few quick points I want to make.

17 One, I am a strong believer in local government. We have a
 18 local government here that is unanimously united against
 19 this project.

20 (Applause.)

21 MR. GROVEMAN: This is where democracy begins and
 22 ends. There is no way to do this project against a City
 23 Council. That's number one.

24 Number two. With all due respect, and I mean it,
 25 with all due respect to our far distant neighbors in

T004-20
Continued

T004-21

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-22

Section 4.2.5 discusses the Applicant's insurance coverage and cost recovery for incidents, and Section 4.16.1.2 describes emergency planning and response capabilities in the Project area.

T004-21

T004-22

T004-22 Continued

27

1 Australia, if something goes wrong here, they're going to be
 2 very far away. It's going to be up to this community and
 3 the communities up and down this coast to clean up the mess.
 4 And I think that is an important consideration which makes
 5 this project unreasonable.

6 On Prop. 65, I want to point something out. The
 7 uniqueness of that law, 20 years ago, was that it warned
 8 people of risks. It was a good idea then, it's a good idea
 9 now, and the model then was it's better to be safe than
 10 sorry. That was the rule then, that must remain the rule.

11 (Applause.)

12 MR. GROVEMAN: I want to just add to that, that as
 13 an environmental lawyer for almost 30 years, I have worked
 14 on thousands of matters involving underground tanks, and
 15 pipelines, and everything you can imagine. And I can tell
 16 you what everybody already knows, one hundred percent of
 17 them leak. It's not 99 percent, 100 percent were expected
 18 to leak.

19 So when you talk about being safe, rather than
 20 sorry, the facts are on our side.

21 I would also point out that the draft EIR, which
 22 must be the subject of your analysis, concedes, in paragraph
 23 6.1, "significant unresolved mitigations." This project
 24 really cannot go forward and it must be the decision of
 25 local government and local city councils up and down this

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T004-22
Continued

T004-23

The lead agencies directed preparation of the Independent Risk Assessment (IRA), and the U.S. Department of Energy's Sandia National Laboratories independently reviewed it, as discussed in Section 4.2 and Appendix C. Section 4.2.7.6 and the IRA (Appendix C1) discuss the models and assumptions used and the verification process. Sandia National Laboratories (Appendix C2) concluded that the models used were appropriate and produced valid results. Section 4.2.8.4 discusses the estimated risk of Project pipeline incidents.

T004-23

T004-24

The EIS/EIR contains substantial mitigation to avoid or reduce potential significant impacts to a level below significance criteria.

The EIS/EIR identifies and assigns significance to all levels of impacts as required by NEPA. The EIS/EIR also identifies unavoidable significant (Class I) impacts. The Administrator of MARAD under the authority of the Deepwater Port Act, the California State Lands Commission, and the Governor of California have to balance the benefits of the Project against its unavoidable environmental risks. In accordance with section 15093 of the State CEQA Guidelines, the CSLC would have to make a Statement of Overriding Considerations addressing Class I impacts prior to approval of the proposed pipeline lease application.

The lead Federal and State agencies share the responsibility to ensure that mitigation measures are implemented. Table 6.1-1 in Chapter 6 is the basis for the Mitigation Monitoring Program, which would be implemented, consistent with section 15097(a) of the State CEQA Guidelines, to ensure that each mitigation measure is incorporated into Project design, construction, operation, and maintenance activities.

T004-24

T004-25

Section 1.6 discusses the permits, approvals, and regulatory requirements pertinent to the proposed Project. Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-25

T004-25 Continued

28

1 coast to protect the public health and safety of the public.

2 Thank you very much.

3 (Applause.)

4 MODERATOR GRANT: Tim Flynn. Tim Flynn, from the
5 City of Oxnard.

6 MR. FLYNN: Hi, Cheryl, Mark, and Dwight. My
7 name's Tim, and I'm a resident here, of the City of Oxnard.
8 I want to say to our friend from Australia, we love your
9 beer, bring Foster's, but leave your gas at home. Good day,
10 mate.

11 (Applause.)

12 MR. FLYNN: My mother, Diane Flynn, and another
13 local activist by the name of Jay Crosby, some of you in
14 this audience might remember Jay, he passed away about a
15 year ago, fought diligently about 25 years ago for the first
16 proposal that was going to come to this community. And they
17 succeeded in their efforts and we avoided what we thought
18 then to be a bad proposal.

19 We think this proposal's even worse. And really
20 at the core of this is that then, many of the people that
21 fought against proposals for liquified natural gas were
22 considered to be on the fringe of society, they were left
23 wing, they were tree huggers, they were environmentalists.
24 You know, they were the one percent of the population that
25 we talk about that doesn't really reflect middle America.

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T004-25
Continued

T004-26

Thank you for the information.

T004-27

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-26

T004-27

T004-28

Section 1.2 discusses dependence on foreign energy sources.

29

1 But when you look at this audience, here, and you
2 see the people that have come out against this LNG, it's
3 reflecting a broader consensus in society that America has
4 lost a lot of its own country. We've lost a lot of what
5 this country means and we've sold ourselves. And that's
6 really, to me, what is most important about this is because
7 there are so many details, I've read so many reports, and
8 you get lost in all these facts and figures.

9 But to really stick to the point, this country, if
10 it's going to go in a positive direction, has to break its
11 dependence from foreign fossil fuels. And there's something
12 inherently un-American about this proposal, and the people
13 in this audience say we got to fix our own solutions and
14 problems, and we're not going to do it with LNG.

15 Thank you very much.

16 (Applause.)

17 COMMITTEE CHAIRPERSON DICKEY: Jesus Torres.

18 MR. TORRES: Good evening. I'm here on behalf of
19 State Assembly Member Pedro Nava, who represents the 35th
20 Assembly District, which includes portions of Oxnard,
21 Ventura, and much of Santa Barbara County. And I have a
22 letter on his behalf to read.

23 "Dear Mr. Sanders, as elected Assembly
24 Member from the 35th District, I'm
25 sensitive to the concerns that my

T004-28

constituents have expressed regarding the above-referenced proposal by BHP Billiton, including air quality, noise emissions, water quality, and security issues. I am very concerned that there's a lack of a regulatory mechanism in place to insure that California's being offered the best available technology, maximum benefit, and minimum environmental impact. The current process does not allow for real competition between proposals and, instead, we find ourselves in a first-come, first-approval situation, with no true evaluation based on the merit of competing projects. Due to the lack of a coherent policy, as mentioned above, several issues are of great concern to the community and the State. Among them, the California Energy Commission has not conducted a specific LNG needs assessment. Requests for California Public Utilities Commission evidentiary hearings have been rejected. Natural gas is a direct competitor of renewable

T004-29

T004-30

T004-31

T004-32

T004-29

The Project has been modified since issuance of the March 2006 Revised Draft EIR. See Section 1.4.2 for a summary of Project changes. Section 4.6.4 discusses the health effects attributed to air pollutants and includes revised impacts and mitigation measures. Section 4.14.4 discusses noise impacts. Section 4.18.4 discusses water quality. Section 4.2 discusses public safety. Section 4.2.7.3 and Appendix C3-2 contain information on LNG carrier security. Section 4.2.7.6 and the Independent Risk Assessment in Appendix C provide additional information on security.

T004-30

Section 1.1.1 contains information on the process used by the Deepwater Port Act (DWPA) of 1974, as amended, which establishes a licensing system for ownership, construction and operation of deepwater port (DWP) facilities. As discussed, the role of the Maritime Administration (MARAD) is to balance the Congressionally imposed mandates (33 U.S.C. 1501) of the DWPA, including those to protect the environment; the interests of the United States and those of adjacent coastal states in the location, construction, and operation of deepwater ports; and the interests of adjacent coastal states concerning the right to regulate growth, determine land use, and otherwise protect the environment in accordance with law.

At the same time, the California State Lands Commission (CSLC) is reviewing the application to ultimately decide whether to grant the Applicant a lease to cross State sovereign lands. As described in Section 1.2.1, "[t]he CSLC authorizes leasing of State lands to qualified applicants based on what it deems to be in the best interest of the State in compliance with the [California Environmental Quality Act]."

Section 1.1.2 contains information on the Governor of California's role in DWP licensing. As discussed, MARAD may not issue a license without the approval of the Governor of the adjacent coastal state (33 U.S.C. 1503(c)(8)). Section 1.1.3 contains information on the role of the U.S. Environmental Protection Agency (USEPA): "[t]he Port must meet all Federal and State requirements and is required to obtain air and water discharge permits from the USEPA." Section 1.2.1 contains additional information on Federal and State responsibilities. Section 1.1.4 contains information on the role of the CSLC to consider whether or not to grant a lease of State lands for the subsea pipelines. The lease may also include conditions relating to those parts of the Project not located on the lease premises. As described in Section 1.3.1, one of the main purposes of the EIS/EIR for MARAD is to "(f)acilitate a

determination of whether the Applicant has demonstrated that the DWP would be located, constructed, and operated in a manner that represents the best available technology necessary to prevent or minimize any adverse impacts on the marine environment."

The USEPA, the U.S. Department of Commerce, including NOAA's National Marine Fisheries Service (NMFS or NOAA Fisheries Service), and the U.S. Department of the Interior, including the Minerals Management Service and the U.S. Fish and Wildlife Service, are cooperating Federal agencies.

As discussed in Section 1.3.2, for significant impacts, the CSLC must adopt a Statement of Overriding Considerations to approve the Project if the specific economic, legal, social, technological, or other benefits of a proposed project outweigh the unavoidable adverse environmental effects (State CEQA Guidelines section 15093(a)). After the CSLC's decision, other State and local agencies may take actions on the Project, i.e., on related permits or necessary approvals. These agencies include the California Public Utilities Commission, the California Coastal Commission, the California Department of Fish and Game, the California Air Resources Board, the Los Angeles Regional Water Quality Control Board, the California Department of Transportation, the City of Oxnard and/or Ventura County (for the onshore part of the Project within the coastal zone), and local air quality control districts such as the Ventura County Air Pollution Control District and the South Coast Air Quality Management District. Section 1.4.2 contains information on the changes to the proposed Project that have been made during the environmental review process.

Section 1.5 contains information on opportunities for public comment. After the MARAD final license hearing, the public will have 45 days to comment on the Final EIS/EIR and the license application. The Federal and State agencies will have an additional 45 days to provide comments to the MARAD Administrator. The Administrator must issue the Record of Decision within 90 days after the final license hearing. The CSLC will hold a hearing to certify the EIR and make the decision whether to grant a lease. The California Coastal Commission will also hold a hearing. Comments received will be evaluated before any final decision is made regarding the proposed Project.

California Senate Bill 426 (Simitian), which would have created a ranking process for different LNG projects, was re-referred to the California Assembly Committee on Utilities and Commerce on August 24, 2006. As of November 30, 2006, the Legislature's Current Bill Status shows it as "From Assembly without further

action," which ended the consideration of the bill during the 2005-06 Legislative Session.

T004-31

Section 1.2.1 contains information on the USCG and State formal hearings.

Following publication of this Final EIS/EIR, MARAD, the USCG, and the CSLC will serve public notice and hold final hearings. MARAD and the USCG will hold a final DWPA license hearing in accordance with 33 CFR 148.222. After the final license hearing is concluded by MARAD and the USCG, the Commandant (CG-3PSO), in coordination with the Administrator of MARAD, will consider any requests for a formal hearing as specified in 33 CFR 148.228. The CSLC will hold a hearing to certify the EIR and make the decision whether to grant a lease.

As discussed in Section 1.2.1, the California Energy Commission (CEC) and California Public Utilities Commission (CPUC) must "carry out their respective energy-related duties and responsibilities based upon information and analyses contained in a biennial integrated energy policy report adopted by the CEC." Section 1.2.1 also describes the public process that is used to develop the Integrated Energy Policy Reports to ensure that California's energy-related interests and needs are met.

Section 1.5 contains information on opportunities for public comment. After the MARAD final license hearing, the public will have 45 days to comment on the Final EIS/EIR and the license application. The Federal and State agencies will have an additional 45 days to provide comments to the MARAD Administrator. The Administrator must issue the Record of Decision within 90 days after the final license hearing. The CSLC will hold a hearing to certify the EIR and make the decision whether to grant a lease. The California Coastal Commission will also hold a hearing. Comments received will be evaluated before any final decision is made regarding the proposed Project.

T004-32

Sections 1.2.2, 1.2.3, 1.2.4, 3.3.1, 3.3.2, and 4.10.1.3 contain information on the need for natural gas, the role and status of energy conservation and renewable energy sources, and the California Energy Action Plan.

T004-32 Continued

31

1 technologies. BHP Billiton's proposal
 2 will undercut California's effort to
 3 increase the role of renewable energy.
 4 The LNG facility will not act as a
 5 bridge to renewable energy but, rather,
 6 as a roadblock. California could be
 7 better served to encourage capital
 8 investments and energy infrastructure
 9 that helps us make the transition to
 10 domestically available renewable energy
 11 sources. There's no guarantee that LNG,
 12 alone, in California will stay in
 13 California. California would have to
 14 compete with everyone else when bidding
 15 on contracts for LNG imports. Also,
 16 there's no guarantee that the cost for
 17 natural gas will decrease for California
 18 residents, especially residents of the
 19 surrounding community. LNG increases
 20 the omission of carbon dioxide, a
 21 primary cause of global warming, into
 22 the atmosphere. According to the Draft
 23 EIR report, there is 'a commitment to
 24 achieve air emission reductions.'
 25 Commitment is not a guarantee and

T004-32
Continued

T004-33

The Project has been modified since issuance of the March 2006 Revised Draft EIR. See Section 1.4.2 for a summary of Project changes. Section 4.6.1.3 contains a revised discussion of Project emissions and proposed control measures. Section 4.6.4 discusses the health effects attributed to air pollutants and includes revised impacts and mitigation measures. Sections 4.6.1.4 and 4.6.2 contain information on Project emissions of greenhouse gases and recent California legislation regarding emissions of greenhouse gases.

The Applicant is required to adhere to all applicable Federal, State, and local laws, regulations, and permit requirements in the execution of all phases of the Project. Section 4.2.6 of the Revised Draft EIR states, "The environmental and occupational safety record for the Applicant's worldwide operations, including, for example, mining ventures overseas, was not considered in evaluating potential public safety concerns associated with this Project because such operations are not directly comparable to the processes in the proposed Project." The conclusions in the EIS/EIR are based on the analyses of potential environmental impacts of the proposed Project and the implementation assumptions stated in Section 4.1.7. However, the Applicant's safety and environmental record will be taken into account by decision-makers when they consider the proposed Project. Section 4.2.6 addresses the Applicant's safety and environmental record. The Applicant is required to adhere to all applicable local, State, and Federal laws, regulations, and permit requirements in the execution of all phases of the Project.

T004-33

T004-33 Continued

32

1 there's no requirement on behalf of BHP
 2 Billiton to be good stewards of their
 3 environment, considering that BHP
 4 Billiton already has a poor
 5 environmental track record in the United
 6 States and abroad. Hidden costs, that
 7 taxpayers might have to incur for
 8 security costs of these facilities are
 9 unknown. State residents of
 10 Massachusetts, for example, absorb 47
 11 percent of the security costs for the
 12 LNG facility in Boston. I believe all
 13 projects with potential impacts to the
 14 local community and the biologically
 15 significant, and economically important
 16 California coastlines deserve a high
 17 level of scrutiny and analysis. It's
 18 not unreasonable, then, to require a
 19 very high level of scrutiny on the
 20 Cabrillo Port project, which is a large-
 21 scale proposal on the coast, that is so
 22 far intensive and unproven. Thank you
 23 for your consideration of my comments,
 24 Pedro Nava, Assembly Member, 35th
 25 Assembly District."

T004-33
Continued

T004-34

Section 4.2.5 contains information on liability in case of an accident and reimbursement for local agencies.

T004-35

Section 2.1 contains information on design criteria and specifications, final design requirements, and regulations governing the construction of the FSRU. The Cabrillo Port must be designed in accordance with applicable standards, and the U.S. Coast Guard has final approval. Section 4.2.4 contains information on Federal and State agency jurisdiction and cooperation. The Deepwater Port Act specifies regulations that all deepwater ports must meet; Section 4.2.7.3 contains information on design and safety standards for the deepwater port. Section 4.2.8.2 contains information on pipeline safety and inspections. Impact EJ-1 in Section 4.19.4 addresses additional pipeline design requirements in areas of low-income and minority communities. The EIS/EIR's analyses have been developed with consideration of these factors and regulations and in full conformance with the requirements of NEPA and the CEQA.

T004-34

T004-35

T004-36

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-36

T004-37
Thank you for the information.

33

1 (Applause.)

2 MODERATOR GRANT: Thank you. We're going to
3 continue with the next group of names. Again, let me remind
4 you that if you spoke this afternoon, and I happen to call
5 your name, again, that your comments from this afternoon are
6 already on the record and we would really like -- we have
7 more than a hundred speaker cards filled out, we'd really
8 like to give those, who have not had the opportunity, an
9 opportunity to get on the record. So you may want to
10 consider a bye, if I happen to call your name.

11 And so, to start, we'll go with William Miller,
12 Jack Nicholl, Kelly Hayes-Raitt, Ed Ellis, and Antonio
13 Flores.

14 Is William Miller here? Would you please come to
15 the podium and could the others come and take a seat in the
16 front? Thank you.

17 MR. MILLER: I'm William Miller, and there's no
18 connection with LNG, probably remember me from the seventies
19 and the eighties.

20 I performed, for Port Hueneme, and the California
21 Coastal Commission, the analysis of Western LNG's proposal
22 for the receipt, storage and transfer of LNG and natural gas
23 at Ormond Beach and Oxnard.

24 While in the army I served as the army's project
25 officer in the Pentagon, for the army's long-range missile

T004-37

T004-37 Continued

34

1 systems. I worked with Sandia Corporation, in Albuquerque,
 2 in the development and adapting effects of new weapons,
 3 including the thermal flash burn radii of air and surface
 4 explosions.

5 Now, concerning health and safety, my LNG analysis
 6 always included the meteorology of LNG methane gas due to
 7 accidents, design failures, and terrorists.

8 In the daytime, a gas cloud will mix with air up
 9 to thousands of feet above us, minimizing the likelihood of
 10 ignition by a flame source. At nighttime, warm air from the
 11 desert descends over coastal and offshore areas to produce
 12 warm air -- cooler air over the ocean.

13 This is a temperature inversion which it actually
 14 provides vertical mixing -- prevents vertical mixing and
 15 allows surface winds to blow LNG methane a considerable
 16 distance well inland, past the 4.8 miles of Cabrillo Port.
 17 Westerly to southern winds will carry the gas cloud over the
 18 Oxnard plain and up the populated valleys toward Ojai and
 19 Simi Valley.

20 Gas clouds between 5 to 15 percent methane will
 21 cause fires and explosions when a flame source is reached,
 22 like a hot water heater.

23 Air pollution from LNG ships should be capped by
 24 temperature inversions -- would be capped -- the temperature
 25 inversions at night and, in particular, would be drawn and

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T004-37
Continued

T004-38

Section 4.1.8.5, under "Air Stability and Mixing Height," contains information on inversions in the Project area. Section 2.3.5.3 of the IRA under "Temperature Inversion Effects," contains information on this topic.

The lead agencies directed preparation of the Independent Risk Assessment (IRA), and the U.S. Department of Energy's Sandia National Laboratories independently reviewed it, as discussed in Section 4.2 and Appendix C. Section 4.2.7.6 and the IRA (Appendix C1) discuss the models and assumptions used and the verification process. Sandia National Laboratories (Appendix C2) concluded that the models used were appropriate and produced valid results. Section 4.2.7.6 and the Independent Risk Assessment (Appendix C1) contain information on public safety impacts from various incidents at the FSRU. The analysis indicates that the maximum impact distance of an accident would involve a vapor cloud dispersion extending 6.3 nautical miles (7.3 miles) from the FSRU. The FSRU would be located approximately 12.01 nautical miles (13.83 miles) offshore; therefore, consequences of an accident involving LNG transport by carrier and storage on the FSRU would extend no closer than 5.7 nautical miles (6.5 miles) from the shoreline.

T004-38

T004-39

Section 4.6.1.2 contains information on inversions related to air pollution. The Project has been modified since issuance of the March 2006 Revised Draft EIR. See Section 1.4.2 for a summary of Project changes. Section 4.6.1.3 contains a revised discussion of Project emissions and proposed control measures. Section 4.6.4 discusses the health effects attributed to air pollutants and includes revised impacts and mitigation measures.

T004-39

T004-39 Continued

35

1 pushed up populated coastal areas and inland areas, like a
 2 gas cloud would create many more days of unhealthful air we
 3 breath. So it's comparable to the gas cloud.

4 Natural gas shortage. At this time, we
 5 analyze -- at the time we analyze Western LNG's Ormond Beach
 6 project, we were assured that there was a general shortage
 7 of natural gas. Later analysis proved this was -- there was
 8 no gas shortage in the seventies and eighties. There is no
 9 proof we now have a natural gas shortage. Some believe we
 10 have enough gas for 20 years, time to develop alternate
 11 energy sources.

12 In conclusion, that it is in the interest of
 13 public safety and health, and reducing reliance on foreign
 14 energy sources, the Cabrillo Port LNG Deepwater should be
 15 disapproved. Thank you.

16 MR. NICHOLL: Good evening, my name is Jack
 17 Nicholl. I am a ten-year resident of Ventura County and the
 18 former President of the American Lung Association of Santa
 19 Barbara and Ventura Counties, and I currently serve on its
 20 board.

21 I believe that BHP Billiton is more concerned
 22 about its profits than in my welfare or the health and
 23 safety of my community.

24 (Applause.)

25 MR. NICHOLL: However, the EIR that you're working

T004-39
Continued

T004-40

T004-41

T004-42

T004-43

T004-40

Sections 1.2.2 and 1.2.3 contain updated information on natural gas needs in the U.S. and California. Forecast information has been obtained from the U.S. Department of Energy's Energy Information Agency and from the California Energy Commission.

T004-41

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-42

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-43

Section 1.3 contains information on the NEPA and the CEQA processes, including the requirements for an independent analysis. The EIS/EIR has been prepared in compliance with these requirements.

T004-43 Continued

36

1 on is supposed to take an unbiased look at the impacts from
 2 this project, so the decision-makers can separate the truth
 3 from the lies that the company is trying to sell to the
 4 community.

5 Unfortunately, the EIR is not as unbiased as it
 6 should be. It plays along with political games being played
 7 by the Federal Environmental Protection Agency about air
 8 pollution, and it allows the project's true air impacts to
 9 remain hidden.

10 BHP Billiton conveniently located the floating
 11 regasification boilers just beyond the reach of the two
 12 local air management districts. If the pollution from the
 13 floating boilers were counted in either of those two
 14 districts, the project would face severe challenges. But
 15 because it is just outside these districts, the Federal EPA
 16 has jurisdiction.

17 Now, the Federal EPA says it is assigning the
 18 pollution from those boilers to the Channel Islands which,
 19 of course, do not generate much pollution on their own.
 20 Presto, chango, tons of air pollution produced by the LNG
 21 tankers and the floating boilers disappear and their
 22 environmental impact disappears.

23 This is politics, not science.

24 (Applause.)

25 MR. NICHOLLS: Why doesn't the EIR investigate the

T004-43
Continued

T004-44

The Project has been modified since issuance of the March 2006 Revised Draft EIR. See Section 1.4.2 for a summary of Project changes. Section 4.6.1.3 contains revised information on Project emissions and proposed control measures. Section 4.6.4 discusses the health effects attributed to air pollutants and includes revised impacts and mitigation measures.

T004-44

T004-44
Continued

1 Federal EPA's assumption that the pollution will stay
2 offshore? Common sense tells us the pollution won't stay
3 there.

4 Ask the people in Sacramento where their air
5 pollution comes from? It gets blown in there from the Bay
6 Area.

7 Ask the people in Palm Springs where their air
8 pollution comes from? It gets blown in from Los Angeles.

9 This EIR is deficient because it simply accepts
10 the Federal EPA's view that the pollution won't come
11 onshore. The EIR needs to determine the real environmental
12 impacts of this project, how much air pollution will be
13 blown ashore into Ventura and Los Angeles Counties, at what
14 times of year, how many new cases of asthma and lung disease
15 will it cause? That's what we need to find out.

16 (Applause.)

17 MR. NICHOLL: Let's get refocused on what's
18 important here, it's the health and welfare of our
19 community, it's not BHP's profits.

20 And one last thing, just because BHP Billiton
21 issues a press release saying they're going green, doesn't
22 make it so.

23 (Applause.)

24 MODERATOR GRANT: Kelly Hayes-Raitt.

25 MS. HAYES-RAITT: Good evening, I'm Kelly Hayes-

1 Raitt and I came up here from Santa Monica today, where I
2 live, downwind from the Cabrillo Port platform.

3 And I came here tonight to support Oxnard and Port
4 Hueneme residents' opposition to this LNG facility.

5 (Applause.)

6 MS. HAYES-RAITT: BHP Billiton's design here is an
7 experimental design. We've already seen how this floating
8 platform weathers bad weather. During Hurricane Katrina,
9 the platform was ripped from its mooring and moved 135 miles
10 away. Who is to guarantee that the Cabrillo Port floating
11 platform, might not be pushed toward shore here, in Oxnard,
12 during a winter storm? What guarantee do we have during an
13 earthquake or a tsunami?

14 We do have a few guarantees. We know that the LNG
15 project is guaranteed to bring air pollution and
16 deteriorated water quality. We know it's guaranteed to
17 bring massive new pressurized pipes of natural gas ashore,
18 over known earthquake faults.

19 In fact, I'll give you one more guarantee. I'm
20 running for State Assembly, and I guarantee that I will not
21 rest until there's a solar panel on every roof in
22 California.

23 (Applause.)

24 MS. HAYES-RAITT: Accidents happen, but only if we
25 keep repeating our accident-prone past. The human cry by

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T004-45

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-46

The Typhoon Platform, a tension leg production platform in the Gulf of Mexico jointly owned by Chevron and BHPB, was severed from its mooring and severely damaged during Hurricane Rita. The Typhoon Platform was designed for a different purpose using different design criteria.

T004-45

T004-46

The Cabrillo Port must be designed in accordance with applicable standards, and the USCG has final approval. Section 2.1 contains information on design criteria and specifications, final design requirements, and regulations governing the construction of the FSRU. Section 4.2.4 contains information on Federal and State agency jurisdiction and cooperation. The Deepwater Port Act specifies performance levels that all deepwater ports must meet; Section 4.2.7.3 contains information on design and safety standards for the deepwater port. Section 4.2.8.2 contains information on pipeline safety and inspections. If the FSRU were to become unmoored, the patrolling tugboats could be used to hold it in place. Section 4.3.1.4 addresses this topic.

T004-47

T004-48

The regulations implementing the Deepwater Port Act (33 CFR 149.625 [a]) require that "each component, except for hoses, mooring lines, and aids to navigation buoys, must be designed to withstand at least the combined wind, wave, and current forces of the most severe storm that can be expected to occur at the deepwater port in any 100-year period."

T004-49

By definition, a 100-year wave event is expected to occur once every 100 years on average over the course of many hundreds of years. The estimated 100-year wave height (7+ meters) and peak wave period (16+ seconds) at the FSRU exceed any waves generated locally by strong northwest winds. The most extreme waves are primarily generated in the deep ocean and propagate through the Channel Islands.

In addition, the standby tugboats would be available to hold the FSRU in place until the Captain of the Port could determine a course of action.

T004-47

Section 4.11 contains information on seismic and geologic hazards. Appendices J1 through J4 contain additional evaluations of seismic

hazards. Section 4.11.1.8 contains information on tsunamis.

T004-48

Sections 4.6.4 and 4.18.4 discuss the Project's potential impacts on air and water quality.

T004-49

As indicated in the response to Comment T004-49, Section 4.11 contains information on seismic and geologic hazards. Appendices J1 through J4 contain additional evaluations of seismic hazards.

39

1 commercial interests that we need increased supplies of
2 natural gas is as suspect as Enron's cries of energy
3 shortages were a few years ago.

4 For the next decade, natural gas supplies from
5 Texas and New Mexico will remain strong. In the interim we
6 should develop, we should fully develop clean, renewable,
7 decentralized energy.

8 Like many of you in the room, I've been at the
9 forefront of fighting offshore oil drilling, and gas
10 drilling, and processing for years. I am so sick and tired
11 of talking about energy conservation I could scream.

12 We should be talking about energy independence
13 from the oil and gas industries.

14 (Applause.)

15 MS. HAYES-RAITT: Our State has the brains, the
16 resources, and the sunshine to be able to develop solar
17 energy to its full.

18 I want to thank all of you for being here tonight.
19 I was at the Malibu hearing last night, there were over 400
20 people there. This is very important, thank you very much.
21 And thank you.

22 (Applause.)

23 MODERATOR GRANT: Ed Ellis.

24 MR. ELLIS: Boy, those are two hard acts to
25 follow. My name is Ed Ellis and I've lived in Oxnard for

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T004-50

Sections 1.2.2, 1.2.3, 1.2.4, 3.3.1, 3.3.2, and 4.10.1.3 contain information on the need for natural gas, the role and status of energy conservation and renewable energy sources, and the California Energy Action Plan. Sections 3.3.1 and 3.3.2 address conservation and renewable energy sources, within the context of the California Energy Commission's 2005 Integrated Energy Report and other State and Federal energy reports, as alternatives to the Project.

T004-50

40

1 over 40 years. I attended the afternoon session and after
 2 listening to some of the people speaking in favor of BHP
 3 Billiton, I had to speak out.

4 One gentlemen said that we have gas pipelines
 5 under our houses and they've been there for 140 years. I
 6 question whether he read the draft EIR. The pipelines are
 7 going to be 36 inches around and run underwater for 21
 8 miles. These pipelines will continue on shore. The
 9 pipeline will continue for three miles down Hueneme Road,
 10 where Golegas Creek Water District just completed installing
 11 a brine line using five-foot pipelines. I don't know where
 12 they're going to fit theirs in there, down that road.

13 But BHP talks about how they moved the pipeline
 14 away from Mesa School. In fact, they rerouted their
 15 pipeline around the school because members of the Saviors
 16 Road Design Team alerted the Mesa School principal.

17 The citizens of Ventura County have had all the
 18 spin we can stand from BHP Billiton. And BHP has, in my
 19 opinion, used some unethical methods to insure they get this
 20 project approved.

21 It's time BHP Billiton agreed to an evidentiary
 22 hearing, where they have to account for the spin under oath.
 23 Thank you.

24 (Applause.)

25 MODERATOR GRANT: Antonio Flores.

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T004-51

Section 2.4 contains information on the location of onshore pipeline alignments.

T004-52

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-53

Section 1.2.1 contains information on the USCG and State formal hearings.

Following publication of this Final EIS/EIR, MARAD, the USCG, and the CSLC will serve public notice and hold final hearings. MARAD and the USCG will hold a final DWPA license hearing in accordance with 33 CFR 148.222. After the final license hearing is concluded by MARAD and the USCG, the Commandant (CG-3PSO), in coordination with the Administrator of MARAD, will consider any requests for a formal hearing as specified in 33 CFR 148.228. The CSLC will hold a hearing to certify the EIR and make the decision whether to grant a lease.

As discussed in Section 1.2.1, the California Energy Commission (CEC) and California Public Utilities Commission (CPUC) must "carry out their respective energy-related duties and responsibilities based upon information and analyses contained in a biennial integrated energy policy report adopted by the CEC." Section 1.2.1 also describes the public process that is used to develop the Integrated Energy Policy Reports to ensure that California's energy-related interests and needs are met.

Section 1.5 contains information on opportunities for public comment. After the MARAD final license hearing, the public will have 45 days to comment on the Final EIS/EIR and the license application. The Federal and State agencies will have an additional 45 days to provide comments to the MARAD Administrator. The Administrator must issue the Record of Decision within 90 days after the final license hearing. The CSLC will hold a hearing to certify the EIR and make the decision whether to grant a lease. The California Coastal Commission will also hold a hearing. Comments received will be evaluated before any final decision is made regarding the proposed Project.

T004-51

T004-52

T004-53

41

1 MR. FLORES: Hi, good evening, my name is Antonia
 2 Flores, I'm a resident here, in Oxnard. And the reason I'm
 3 here is I want to tell you this is a wrong decision to bring
 4 LNG here, because we don't need it right now, and we have
 5 enough. And then, right now, we want to say I don't need it
 6 and I don't need this type of project here because we want
 7 to live safe here, and trying to bring this here is a danger
 8 for us. And I don't want to see that because each day I
 9 will wake up I will think about it, how my day will go next
 10 day by next day, and I don't want that, to wake each day to
 11 see the danger if I have this project.

12 And I want to say I don't want this here. Thank
 13 you.

14 (Applause.)

15 MODERATOR GRANT: All right, the next grouping of
 16 names. The next grouping of names, Dr. Manuel M. Lopez,
 17 Michael Stubblefield, Diane Safford, Dierdre Frank, Lauraine
 18 Effress, Glenn Hening.

19 Dr. Lopez.

20 DR. LOPEZ: Good evening. My name is Dr. Manuel
 21 Lopez, and I am here today in my new role as a private
 22 citizen.

23 My mother and my father came to Oxnard in 1916,
 24 right after getting married. My mother died as a young
 25 woman and my father raised his children alone, and spent his

T004-54

Sections 1.2.2 and 1.2.3 contain updated information on natural gas needs in the U.S. and California. Forecast information has been obtained from the U.S. Department of Energy's Energy Information Agency and from the California Energy Commission.

T004-55

Section 4.2 and Appendix C contain information on public safety.

T004-56

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-57

Thank you for the information.

T004-54

T004-55

T004-56

T004-57

T004-57 Continued

42

1 entire working life and few retirement years here.

2 My first relatives arrived in the 1890's, before
3 city incorporation and we have been part and parcel of city
4 development ever since.

5 Now, my children live here and we have a new
6 granddaughter, who I hope will also grow up to love and
7 enjoy the beauty of the area as much as we all have.

8 For close to 40 years, until November 2004, when I
9 chose not to run for re-election, I was involved in Oxnard
10 city government. In that role, I had the unique experience
11 of being involved from the very beginning in the study and
12 determination of city decisions in regard to the LNG
13 process.

14 First, as a member of the Planning Commission
15 during the original 1977 intent to develop an LNG facility
16 at Ormond Beach, when Oxnard was the lead agency.

17 And lastly, during my final term as mayor, when
18 city officials were contacted by representatives of various
19 LNG facilities prior to initiation of efforts to locate
20 facilities locally, with the city, now, in the role of an
21 interested agency.

22 During the long interval between attempts, project
23 size and energy involvement increased exponentially, but a
24 singular concentrate has remained throughout. That thread
25 is the insistence that an imminent, impending energy crisis

T004-57
Continued

T004-58

Section 1.2.3 contains updated information on natural gas needs in California. Forecast information has been obtained from the California Energy Commission.

T004-58

T004-58 Continued

43

1 will devastate the State economy without the importation of
 2 LNG. This, in spite of the fact that California grew from
 3 22 and a half million people to today's 37 million, and the
 4 State has become the fourth or fifth largest economy in the
 5 world, although LNG was turned down in 1977.

6 That still appears to be the party line today,
 7 without an impartial market study of the real need for the
 8 feasibility or desirability of the importation of LNG. That
 9 seems to be the crucial first step that is missing from the
 10 entire exercise.

11 There are several concerns that I feel need
 12 further comment. The main one is safety and, in particular,
 13 the size and safety, and potential migration of an ignitable
 14 gas flume to shore. But I feel that others have brought
 15 these items up or will certainly bring them up during the
 16 hearing.

17 Therefore, in my brief time, I will mention just
 18 two others that are of major interest to me and I feel have
 19 the potential to be minimized.

20 One is the conclusion that the scenic impact on
 21 the --

22 MODERATOR GRANT: Dr. Lopez, your time is up.

23 DR. LOPEZ: Okay.

24 MODERATOR GRANT: Can you submit your comments in
 25 writing?

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T004-58
Continued

T004-59

The lead agencies directed preparation of the Independent Risk Assessment (IRA), and the U.S. Department of Energy's Sandia National Laboratories independently reviewed it, as discussed in Section 4.2 and Appendix C. Section 4.2.7.6 and the IRA (Appendix C1) discuss the models and assumptions used and the verification process. Sandia National Laboratories (Appendix C2) concluded that the models used were appropriate and produced valid results.

Section 4.2.7.6 and the Independent Risk Assessment (Appendix C1) contain information on public safety impacts from various incidents at the FSRU. The analysis indicates that the maximum impact distance of an accident would involve a vapor cloud dispersion extending 6.3 nautical miles (7.3 miles) from the FSRU. The FSRU would be located approximately 12.01 nautical miles (13.83 miles) offshore; therefore, consequences of an accident involving LNG transport by carrier and storage on the FSRU would extend no closer than 5.7 nautical miles (6.5 miles) from the shoreline.

T004-59

T004-60

Section 4.4 contains information on the visual aspects of the Project, potential impacts, and measures to address such impacts. See Impact AES-1 in Section 4.4.4, which states, "[t]he FSRU would appear similar in shape to commercial vessels that are frequently seen in the Project area." Table 4.3-1 contains information on the numbers and representative sizes of vessels that are commonly found in the proposed Project area, and Appendix F contains additional simulations.

T004-60

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1 DR. LOPEZ: I'll submit the comments, thank you.

2 (Applause.)

3 MR. STUBBLEFIELD: Mr. Sanders, Ms. Karpowicz,

4 good evening. My name is Mike Stubblefield, I'm the Air

5 Quality Chair for the Los Padres Chapter of the Sierra Club,

6 which spans all of Ventura and Santa Barbara Counties.

7 Billiton wants to put its floating storage and

8 regasification unit, the FSRU, or Cabrillo Port in Federal

9 waters. Why? Because the EPA, which is supposed to protect

10 the environment, will allow Billiton to emit up to a

11 whopping 250 tons per year of any of 28 criteria pollutants,

12 things like hydrocarbons, carbon monoxide, and oxides of

13 nitrogen.

14 Yet, despite this generous gift of Billiton, at

15 the expense of our county, the EIR deftly understates the

16 proposed emissions of Cabrillo and Billiton's LNG carrier

17 vessels by treating their emissions separately, even though

18 we all know that the emissions of the carrier vessels and

19 Cabrillo are effectively one in the same thing because each

20 vessel will, in fact, be docked for three days straight to

21 the FSRU, while it pumps its LNG, engines running all the

22 while, onto the FSRU.

23 And what are those proposed emissions? Well, if

24 you buy into the false logic of this EIR, you won't find any

25 proposed emission over the 250 ton per year level allowed in

T004-61

T004-61

The comment letter from Manuel Lopez and responses to the comments are included in this document as 2006 Comment Letter P357.

T004-62

The Project has been modified since issuance of the March 2006 Revised Draft EIR. See Section 1.4.2 for a summary of Project changes. Section 4.6.1.3 contains a revised discussion of Project emissions and proposed control measures. Section 4.6.2 provides an updated discussion of relevant regulatory requirements. Section 4.6.4 discusses the health effects attributed to air pollutants and includes revised impacts and mitigation measures.

T004-62

T004-62 Continued

45

1 Federal waters. But, when you add the proposed annual
2 emissions of the LNG carrier vessels to the FSRU a
3 different, darker picture emerges. To wit, 277 tons per
4 year of carbon monoxide, 231.2 tons per year of oxides of
5 nitrogen, 47.7 tons per year of reactive organic compounds.

6 In other words, the EIR intentionally understates
7 the projected annual emissions of the FSRU and the carrier
8 vessels by arbitrarily and capriciously treating them as if
9 they were two separate facilities.

10 Gentlemen and lady, to separate these emissions is
11 disingenuous, it's dangerous, and it's an insult to the
12 intelligent of our community. Let's be frank, the emissions
13 from this facility -- the emissions from this facility will
14 be gross. Ventura and L.A. Counties are State and Federal
15 nonattainment areas for nox. L.A. County is a nonattainment
16 area for virtually everything.

17 The Ventura County Air Pollution Control District
18 and the South Coast Air Quality Management District are
19 desperately trying to improve the quality of our air, yet
20 the projected 231.2 tons of nox per year, for Cabrillo Port,
21 exceeds by over 55 tons the nox emissions of Ventura
22 County's current biggest nox emitter, Proctor & Gamble.
23 Which, by comparison, emits a paltry 176 tons per year.

24 Into what kind of environment would Cabrillo Port
25 be spewing these gross criteria pollutants?

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T004-62
Continued

T004-63
Thank you for the information.

T004-63

46

1 MODERATOR GRANT: Mr. Stubblefield, your time is
2 up.

3 MR. STUBBLEFIELD: Thank you.
4 (Applause.)

5 MODERATOR GRANT: Diane Safford.

6 MS. SAFFORD: My name is Diane Safford and I'm a
7 19-year resident of Port Hueneme. I am a retiree from the
8 Navy. I'm a widow, my husband was a lawyer for the Navy.
9 As you might know, a lot of people in the Navy travel a
10 great deal, we did. And when we chose our home here, in
11 Port Hueneme, we chose it to retire in and my husband died
12 in that home, and I was hoping to live in it for a long
13 time.

14 This is a very personal thing for me because if
15 this platform goes in, I will move. And I have spent the
16 last two years of my life dedicated to learning all I can
17 about this project and LNG, because I want to stay, I don't
18 want to move.

19 And if this project -- if I could conclude that it
20 was not unhealthy and not unsafe, believe me, I want that
21 more than anything else and I would like to stay, but I
22 can't do that.

23 I have learned a great deal about LNG. I have
24 learned a great deal about the Cabrillo Port project. I'm
25 very concerned about the air pollution. I won't talk for a

T004-64

The Project has been modified since issuance of the March 2006 Revised Draft EIR. See Section 1.4.2 for a summary of Project changes. Section 4.6.1.3 contains revised information on Project emissions and proposed control measures. Section 4.6.4 discusses the health effects attributed to air pollutants and includes revised impacts and mitigation measures.

T004-64

47

1 long time about that because I think Mike Stubblefield did a
2 great job.

3 But I would like to read something from the L.A.
4 Times, it came out very recently, March 22nd. The title is
5 the article is "State's Air is Among Nation's Most Toxic."

6 "Despite two decades of cleaning up
7 carcinogenic fumes from cars and
8 factories, Californian's are breathing
9 some of the most toxic air in the
10 nation, with residents exposed to a
11 cancer risk twice the national average.

12 One of the most significant
13 environmental exposures to cancer-
14 causing chemicals for Californians comes
15 from breathing them."

16 I might add that I have a granddaughter that has
17 leukemia, and her doctor's say that that's probably from
18 breathing the air pollution in Southern California. This
19 project is going to add significantly to that problem, and
20 this is wrong.

21 I'm also concerned about the unsafety of the
22 project. I heard this morning some pretty depressing people
23 coming up, talking about how they didn't feel the project
24 was unsafe. So I went home between the sessions and I
25 copied an article from MSNBC, Newsweek Online, that just

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T004-65

Thank you for the information.

T004-66

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-65

T004-67

Section 4.2 and Appendix C contain information on public safety.

T004-68

Table 4.2-2 and Sections 4.2.6.1 and 4.2.7.6 contain information on the threat of terrorist attacks.

T004-66

T004-67

T004-68

1 came out April 11th. They were talking about the piracy off
2 the coast of Somalia, and they make these statements, "it
3 may be officials worry about an even more alarming scenario,
4 that terrorists cells operating in Somalia might get
5 involved in the piracy, hijack a ship and use it to ram
6 another vessel."

7 Then they go on to talk about that's exactly what
8 happened to the USS Cole, where 17 of our sailors were
9 killed.

10 And then they go on to say that "most troubling,
11 more troubling than that, most troubling for U.S. officials
12 is the prospect of terrorists hijacking a supertanker,
13 transporting extreme flammables, like LNG --

14 MODERATOR GRANT: Your time is up.

15 MS. SAFFORD: -- and blowing it up close to shore.

16 (Applause.)

17 MODERATOR GRANT: Dierdre Frank.

18 MS. FRANK: Hello, my name is Dierdre Frank, I'm
19 here to address the Environmental Impact Report, Sections
20 4.17, this deals with transportation.

21 I see that there are very general comments being
22 made that say, for example, "commercial air traffic, the
23 project would not adversely affect air traffic operations.
24 The offshore air traffic is high altitude and would not be
25 affected by the installation or operation of the FSRU."

49

1 That's like two sentences on how the airports
2 don't impact this project.

3 In the Executive Summary, "no airports would be
4 affected by the proposed project." I don't see any analysis
5 in this EIR about air traffic. I read about the safety
6 zone, I read about keeping other ships away, keeping boater
7 away, keeping everyone away, away, away, putting a thousand
8 feet ahead of you, 500 or a thousand yards ahead of you, 500
9 yards behind you, 500 yards to the side.

10 But what about the top? We've got Oxnard Airport,
11 the flight patterns aren't discussed. You've got Point
12 Mugu, the air patterns, flight patterns are not discussed.
13 We're in the flight path for LAX. We had a plane crash
14 right off Port Hueneme. Anyone remember that?

15 So I'm not understanding how we could not address
16 the airports. I don't see the word "helicopter" in this EIR
17 anywhere. We have a lot of helicopter transportation going
18 over to the islands and going out to the oil rig, yeah,
19 transporting people and supplies. So I think that that's
20 something that really should be addressed. If terrorism is
21 of real concern, wouldn't they use a plane?

22 (Applause.)

23 MODERATOR GRANT: Lauraine Effress.

24 MS. EFFRESS: Good evening. My name is Lauraine
25 Effress, I live in the General Islands Harbor of Oxnard and

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T004-69

T004-69

Section 4.17.1.1 contains information on airport runways. Section 4.17.1.2 contains information on the two airports located near the proposed Center Road Pipeline. Section 4.17.3 contains a discussion of the reasons the Project would not adversely affect air traffic operations.

Table 4.2-2 identifies representative hazards and threats considered in the public safety analysis, including accidental or intentional collisions, such as a small aircraft or helicopter hitting the FSRU or a commercial airliner striking the FSRU.

T004-70

Table 4.2-2 and Sections 4.2.6.1 and 4.2.7.6 contain information on the threat of terrorist attacks.

T004-70

50

1 I've lived here for 15 years. I'm addressing Section
 2 4.3.1.4, safety measures specifically regarding the
 3 possibility of a disabled tanker or the FSRU, whatever the
 4 cause.

5 Billiton is nonspecific regarding plans for such
 6 disabled vessels, kind of like what Dierdre's saying about
 7 air traffic. They talk mainly about an emergent situation.
 8 The applicant describes the anchorage of the FSRU, and plans
 9 for towing, if the vessel becomes disabled, to a safe and
 10 secure location, but none is specified. That's about all
 11 that is said.

12 And they also say that there's no place in North
 13 America that's capable of drydocking either an LNG tanker or
 14 the FSRU if, in fact, such were necessary.

15 The Society of International Gas Tanker and
 16 Terminal Operators, SIGTTO, of which BHP Billiton is listed
 17 as a member, has published a summary and analysis of 17
 18 selected casualty scenarios between 1966 and 2002, involving
 19 actual carriers of LNG, or LPG, that became disabled.

20 They state that they're resistant to grounding, to
 21 fire, et cetera, that the gas can't be incinerated easily.
 22 We all know that, but stuff happens, in the words of our
 23 famous Secretary of Defense.

24 According to SIGTTO, a gas tanker deprived of
 25 power would sooner or later be obligated to vent gas. How

T004-71

T004-71

Sections 1.3.1 and 4.2.7.3, Impact PS-1 in Section 4.2.7.6, and Marine Safety and Security Requirements in Appendix C3-2 contain information on operational measures for accident release prevention, including requirements for development of formal operational procedures for LNG carriers and the FSRU.

LNG carriers are required by the International Maritime Organization (IMO) to meet the International Safety Management Code, which addresses responding to emergency situations.

Appendix C3-2 contains information on regulations regarding venting of gas on the FSRU. Venting of gas on LNG carriers would be covered under IMO regulations.

After licensing, the Applicant would be required to prepare a deepwater port (DWP) operations manual that meets all requirements set forth by the USCG. The manual would be required to be detailed and specific, covering every conceivable contingency as well as normal operations. The minimum contents of this manual are detailed in 33 CFR Part 150. The USCG would need to approve the plan before FSRU operations could begin.

Section 4.3.1.4 contains information on safety measures, disabled vessels and anchorage, and vessel collision avoidance measures, including the authority and responsibilities of the Captain of the Port in the event a vessel were to become disabled or an accident were to occur at the port.

1 and when would that venting be done. The EIR makes no
2 mention of plans for venting.

3 SIGTTO stresses that access to a safe harbor in
4 sheltered waters is usually required to effect repairs and
5 restore the ship to seaworthy condition.

6 The applicant's plan indicates repairs in place or
7 on the high seas.

8 Contingency plans for safe harbor are needed.
9 SIGTTO notes that without shelter to a ship in trouble, the
10 jeopardy increases to the ship, the crew, the Coast Guard,
11 rescue personnel, and eventually forces evacuation.

12 Some of the scenarios included an over-filled LNG
13 tank, grounded tanker, loss of propulsion because of a
14 broken propeller shaft. Disability ranged from two days to
15 38 days.

16 There was a case of death and, in fact, in one
17 case it was necessary to blow up and sink the vessel.

18 Since we are so close to the Port of Hueneme, Port
19 of Los Angeles, Port of Long Beach, and the naval base, why
20 haven't they entered into written agreements with these
21 organizations before an accident happens, before a
22 disability happens.

23 When I was a safety officer for the psychiatric
24 facilities, I had to have written plans, in advance, about
25 what I would do if I needed to evacuate my patients. And

T004-71
Continued

T004-71 Continued

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1 don't you think it happened, I was very happy to have those
2 plans in place.

3 Billiton does not want to be seen as burdening the
4 operations of the Port of Hueneme, but they need to get
5 these written procedures in place.

6 MODERATOR GRANT: Your time is up.

7 MS. EFFRESS: This is the SIGTTO information.

8 (Applause.)

9 MODERATOR GRANT: Mr. Hening.

10 MR. HENING: Good evening, my name is Glenn
11 Hening, I'm an Oxnard resident. I'm currently a research
12 consultant on contaminated military sites. I also happen to
13 be the founder of an environmental group called the Surf
14 Rider Foundation. I'm a tree hugger, I'm a parent.

15 And given my background in ocean environmental
16 issues, I am not in knee jerk opposition to this project.

17 I respect the expertise in the EIS and I find it
18 represents a measured and comprehensive approach to the
19 regulatory issues and community concerns to a far greater
20 degree than anything produced by most of the project's
21 opposition.

22 However, there is one significant data gap with
23 reference to an existing, not potential, threat to the
24 structural or operational integrity of Cabrillo Port, and
25 that is wave action in the open ocean, something of which I

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T004-71
Continued

T004-72

Thank you for submitting the report entitled *Safe Havens for Disabled Gas Carriers: An Information Paper for Those Seeking a Safe Haven and Those Who May Be Asked to Provide It*, prepared by the Society of International Gas Tanker & Terminal Operators. This document has been entered as 2006 Comment P360.

T004-73

Section 4.1.8 provides information about the region's oceanography and meteorology. Section 2.3.5.3 of the IRA in Appendix C1 describes environmental, meteorological, and oceanographic conditions considered in the analysis.

T004-72

T004-73

T004-73 Continued

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1 am somewhat an expert. This is addressed in Section 4.1.

2 My research into the facts of the Draft EIR lead

3 me to conclude that a proper QRA, or quantitative risk

4 analysis of the hundred year storm was not done, especially

5 since we've had two such events just in the last 13 months.

6 I'm currently preparing my written comments based

7 on my review of the draft EIR, and I hope they will be

8 incorporated as the EIR process moves forward.

9 But for the moment, I address the rest of my

10 comments to the project's opposition.

11 Politics and scare tactics are nothing new in the

12 environmental movement and this issue is a case study of a

13 lot of chicken little's panicking a lot of good people.

14 Instead of hammering away like a Japanese sword maker on

15 specific issues, many in the opposition have resorted to

16 cooking up a popcorn of fear-based factoids.

17 Support or opposition of this project doesn't help

18 them draft the final EIR based on facts, not personal panic

19 or fear-based emotion. Those things do no one any good,

20 least of all those in the opposition who are so very afraid

21 of this project that they can no longer even think straight.

22 Energy independence, corporate profits,

23 explosions, terrorists, pollution, our children, I've seen

24 those cards played before. In fact, I've played some of

25 them, myself, in the defense of our waves and beaches, but

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T004-73
Continued
T004-74

T004-74

The regulations implementing the Deepwater Port Act (33 CFR 149.625 [a]) require that "each component, except for hoses, mooring lines, and aids to navigation buoys, must be designed to withstand at least the combined wind, wave, and current forces of the most severe storm that can be expected to occur at the deepwater port in any 100-year period."

By definition, a 100-year wave event is expected to occur once every 100 years on average over the course of many hundreds of years. The estimated 100-year wave height (7+ meters) and peak wave period (16+ seconds) at the FSRU exceed any waves generated locally by strong northwest winds. The most extreme waves are primarily generated in the deep ocean and propagate through the Channel Islands.

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1 I've never seen anything like this.

2 And I urge those in the opposition to the project
3 to consider my comments. Thank you.

4 MODERATOR GRANT: All right, thank you, ladies and
5 gentlemen. May I remind you that, one, we're here to
6 address the -- address the Panel with comments regarding the
7 EIR.

8 The next group of statements will be from County
9 Supervisor Steve Bennett, Mary Dodd, Gloria Roman, Maria
10 Diaz, Tony Skinner, and Jim Millard.

11 Mr. Bennett.

12 MR. BENNETT: Good evening and thank you for this
13 opportunity to present this evening. I am speaking on
14 behalf of myself, personally, not the Ventura County Board
15 of Supervisors.

16 And the one issue that I want to address is the
17 EIR specifically, and specifically the air admissions
18 aspects of the EIR, but based on the EPA stated level of
19 permit review.

20 I think it's the air admissions likely are not
21 being completely quantified, both for the construction, as
22 well as the operation of the facility. And if you do not
23 completely quantify the air emissions you will never be able
24 to properly identify, in the EIR, the mitigation measures
25 that you must have for that, so that's a significant aspect.

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T004-75

The Project has been modified since issuance of the March 2006 Revised Draft EIR. See Section 1.4.2 for a summary of Project changes. Section 4.6.1.3 contains revised information on Project emissions and proposed control measures. Section 4.6.4 discusses the health effects attributed to air pollutants and includes revised impacts and mitigation measures.

T004-75

T004-75 Continued

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1 Now, there are other aspects of the EIR that I'd
 2 like to reserve my right to still comment on during the
 3 extended review period, but that is one that is clear to me
 4 at this point in time, of my level of review of the EIR.
 5 That if you don't completely identify all the air emissions
 6 associated with the project, you cannot possibly then
 7 mitigate those things.

8 And as a result of that, I think it's a serious
 9 issue that you have to examine with this EIR. Thank you
 10 very much.

11 (Applause.)

12 MODERATOR GRANT: Mary Dodd.

13 MS. DODD: My name is Mary Dodd, I'm a resident of
 14 Ventura County and Oxnard. And this is going to be very
 15 quick.

16 I think we're in the era of big lies and one of
 17 them is that we desperately need energy and that we're in a
 18 crisis situation.

19 One of the things that has occurred is the Alaska
 20 Gas Line Port Authority has gone before the Judiciary
 21 Committee of the United States Senate to bring an anti-trust
 22 suit against Exxon, Mobile, BHP. They make the case that
 23 there's an enormous amount of natural gas on the north
 24 slopes in Alaska, and that these companies are reinjecting
 25 the natural gas back into the land. They do this when they

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T004-75
Continued

T004-76

Sections 1.2.2 and 1.2.3 contain updated information on natural gas needs in the U.S. and California. Forecast information has been obtained from the U.S. Department of Energy's Energy Information Agency and from the California Energy Commission.

T004-77

Thank you for the information.

T004-76

T004-77

T004-77 Continued

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1 extract oil and then they reinject the natural gas back in
2 order to manipulate the natural gas market.

3 Another group that went before the Judiciary
4 Committee of the United States was representing three --
5 four states, Wisconsin, Iowa, Illinois, and Missouri. The
6 point being made, again, was that there was a manipulation
7 of the market and speculation about natural gas.

8 If there's no crisis, then what's the big hurry.

9 One other lie, it seems to me, is that BHP cares
10 about the environment. There's another company, named
11 Woodside, that's an LNG company, from Australia, and they
12 are quite willing to abide by the California regulations
13 regarding air pollution. BHP is not, they've gotten an
14 exemption from the Feds.

15 They also are going to -- they have made a
16 proposal to place a cutting edge operation 22 miles out to
17 sea, and pipe their natural gas into the Los Angeles
18 industrial area, where it will be piped throughout wherever,
19 the country.

20 What I'm asking you, really, is that before you
21 make a decision, before you -- P.T. Barnum said "there's a
22 sucker born every minute." Before making a decision, let
23 the Senate Bill 426 take its course, in which they analyze
24 whether there's a need for natural gas and they also analyze
25 the best place.

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T004-77
Continued

T004-78

The Project has been modified since issuance of the March 2006 Revised Draft EIR. See Section 1.4.2 for a summary of Project changes. Section 4.6.1.3 contains revised information on Project emissions and proposed control measures. Section 4.6.4 discusses the health effects attributed to air pollutants and includes revised impacts and mitigation measures.

T004-79

The EIS/EIR initially evaluated 18 locations for the FSRU as potential locations for the deepwater port. It built on previous California Coastal Commission studies that evaluated nearly 100 locations. Section 3.3.7 contains information on other locations that were considered.

Sections 1.2.2 and 1.2.3 contain updated information on natural gas needs in the U.S. and California. Forecast information has been obtained from the U.S. Department of Energy's Energy Information Agency and from the California Energy Commission.

T004-78

T004-79

T004-79 Continued

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1 If we must have LNG, where's the best place to put
2 it? Thank you.

3 (Applause.)

4 MODERATOR GRANT: Gloria Roman.

5 MS. ROMAN: Good evening, Ms. Cheryl and Dwight
6 Sanders. My name is Gloria Roman and I'm a resident of
7 Oxnard, and I've been here for a long time.

8 I'm referencing my comments on Docket Number USCG-
9 2004-1687, and that's paragraph 2.5.1, "Floating Storage and
10 Gasification Unit Potential Fabrication Yards for the FSRU
11 are in Japan, Korea, Spain and Finland."

12 In the EIR and EIS, pages 1 through 12, Sections
13 1.2.4, lines 26 to 29. "In the light of the EIS
14 projections, natural gas imports are necessary to insure a
15 reliable alternative energy source that enhances the nations
16 diversity of energy supplies and energy sufficiency, and
17 supports a thriving United States economy."

18 In the light of this, there is a highly
19 possibility of either by sabotage, hijacking any one of the
20 tankers, pipelines, or breaching the security of the FSRU
21 floating receiving terminal, or blowing up the 36 1,100 PSI
22 pipeline that runs through our community.

23 With modern technology, electronic devices can be
24 planted in any part of the system that can damage -- that
25 can, in the future, be used to damage, destroy any part or

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T004-79
Continued

T004-80

Table 4.2-2 and Sections 4.2.6.1 and 4.2.7.6 contain information on
the threat of terrorist attacks.

T004-80

T004-80 Continued

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1 all of the system, damaging our economy.

2 I reference the memory of Mr. Thomas Reed, who
3 served in the National Security Council of President Reagan.
4 President Reagan's administration and that authorized the
5 CIA to slip some software into the Soviet gas pipeline
6 system that was to run pumps, turbines, and was broken to go
7 haywire.

8 After a decent interval to reset pumps speed and
9 valves, setting to produce pressures far beyond those
10 acceptable to pipeline joints and welds.

11 MODERATOR GRANT: Ms. Roman, your time is up.

12 MS. ROMAN: I want to turn this into you. And
13 this happened in the summer of 1982.

14 (Applause.)

15 MODERATOR GRANT: Ms. Diaz.

16 MS. DIAZ: Good evening, Cheryl, Dwight. I won't
17 even try to pronounce your last name.

18 I've lived here, in Oxnard, 52 years. We have six
19 generations here, in Ventura County, farming and the
20 trucking industry. And I don't know if you know how much
21 trucks weight, 80,000 pounds maxed out. The pipeline runs
22 through Oxnard, in our front yard. My children just
23 purchased a home here and we plan on staying here for
24 generations to come. I don't want to leave. I love Oxnard,
25 Ventura County, and Santa Barbara and Malibu, as well. We

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T004-80
Continued

T004-81

Thank you for the information.

T004-81

T004-81 Continued

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1 are one of the best coastlines in the world.

2 The trucks that run over these routes that the
3 pipelines are going to be on are hundreds of them during the
4 day, literally hundreds. That only weakens the roads.

5 Our planning here, they replace the roads every
6 five, ten years because it weakens them, all the trucks. We
7 don't need this here. Please have consideration for the
8 families that have been here, pioneering for a long time,
9 and I speak for my family because we have farmlands, we have
10 strawberry lands, part of my family.

11 And the air pollution will not allow us to grow
12 strawberries, we won't be able to, it will damage them.

13 We have avocado ranches, none of that will grow
14 right anymore. We're trying to hang onto our farmlands and
15 with these pipelines going through a major part of where our
16 farmlands are at, they will not grow right, we will lose
17 out. We will be pushed out of a town that we were raised in
18 here for generations.

19 And I speak as well for a lot of farming families
20 that are here, in Oxnard. Please consider, we don't need
21 this. Thank you.

22 MODERATOR GRANT: Tony Skinner.

23 MR. SKINNER: Hi, my name's Tony Skinner, I'm with
24 the Tri-Counties Building and Construction Trades Council
25 here, in Ventura County. I'm a second generation, born and

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T004-81
Continued
T004-82

T004-82

As discussed in Section 2.7, the proposed onshore pipelines would be installed about 7 feet below ground surface and would be covered with a minimum of 12 inches of fill material. Section 4.17.4 contains information on potential transportation impacts and mitigation measures to address impacts.

T004-83

Section 4.6.1.3 contains a revised discussion of emissions from Project construction and operations. Ambient air quality onshore would be temporarily adversely affected during the nine months of construction. Ambient air quality onshore would not be adversely affected by the operations of the FSRU.

T004-83

As stated in Section 2.4, "SoCalGas would attempt to use existing farm roads and, where necessary, acquire easements immediately adjacent to farm roads to minimize disturbance to active agricultural fields." Section 4.5.4 states, "[r]ow crops or natural vegetation would be allowed to grow within the permanent pipeline ROW." The temporary construction right-of-way (ROW) would be 80- to 100-feet wide, but permanent easements would range between 25 and 50 feet depending on site-specific conditions (see Sections 2.4 and 4.5.4).

In addition, the Applicant would compensate farmers for the temporary or permanent loss of agricultural land, crop loss, future loss of production, and other negative impacts (see AM AGR-1a in Section 4.5.4).

T004-84

T004-84

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-85

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

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1 raised in the City of Oxnard, and a lifelong resident of
2 Western Ventura County.

3 I'm here to voice my support for the Cabrillo Port
4 project. I feel this project will provide a bridge between
5 two generations of energy consumption. With the influx of
6 people coming to California to live and our position on the
7 natural gas pipeline, I feel we need to secure our energy
8 base.

9 People seem to take for granted turning on their
10 lights, cooking their food, heating and cooling their homes.
11 But I also remember the blackouts and the brownouts from a
12 few years ago.

13 Most of your new power plants are being done with
14 natural gas. I believe that the benefit to the economy, for
15 Ventura County, will be to a great benefit.

16 And I also want to say that we'll be doing the
17 maintenance on the barge, as well as the construction. And
18 as California involves in other forms of energy, such as
19 wind and solar, this terminal can be moved because we won't
20 need it anymore.

21 With that, I'd like to say thank you.

22 MODERATOR GRANT: Jim Millard? Jim Millard? Is
23 Jim Millard in the room?

24 All right, our next group will be Jean Joneson,
25 Bill Miley, William "Bill" Terry, Ann Gist Levin, and Robert

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1 D. Rail.

2 Jean Joneson, please begin.

3 MS. JONESON: Good evening, Mr. Sanders and Mrs.

4 Cheryl, I don't want to mess up your name.

5 I would like to thank you for being here with us,

6 tonight, and giving the residents of Oxnard, Hueneme,

7 Malibu, Cambrio, the opportunity to speak in front of you to

8 oppose the project. I stand here opposing.

9 At this time I'm going to do something a little
10 different. I ask those, that are standing in the back of
11 the room to remain standing, and those that are in the
12 audience that oppose, to please stand quietly, no clapping.
13 I'd like for you just to take a number of how many people
14 are here in opposition of this project.

15 It is not only hazardous to our families, bit it
16 is to our children as well. To me, as a mother, former
17 coach, secretary of a school in Camarillo, I do love my
18 children.

19 And all these people behind me, these are my
20 children, they are my family, and I would hate for them to
21 give up their life with death to LNG.

22 My thing is there are other alternatives to
23 energy. That would be solar energy and the windmill.

24 Please remember to keep all other facts that have
25 been said here tonight, that have been very important, and

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T004-86

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-87

Section 4.2 and Appendix C contain information on public safety.

T004-88

Sections 1.2.2, 1.2.3, 1.2.4, 3.3.1, 3.3.2, and 4.10.1.3 contain information on the need for natural gas, the role and status of energy conservation and renewable energy sources, and the California Energy Action Plan.

Sections 3.3.1 and 3.3.2 address conservation and renewable energy sources, within the context of the California Energy Commission's 2005 Integrated Energy Report and other State and Federal energy reports, as alternatives to the Project.

T004-86

T004-87

T004-88

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1 they are coming from their heart. Those that are here for
 2 the project have been paid. So I would suggest the people
 3 that are here from BHP, and all other companies that are
 4 associated with the project, take their money somewhere
 5 else, their project, and run away from the City of Oxnard,
 6 Malibu, Ventura, take it somewhere else and have fun with
 7 it.

8 (Applause.)

9 MODERATOR GRANT: Thank you. Mr. Miley.

10 And could one of the officers near the door do a
 11 favor and ask one of the ladies outside to step in for a
 12 moment, please?

13 Okay, Mr. Miley.

14 MR. MILEY: Okay, can you hear me? My name is
 15 Bill Miley, I live in Ojai, I've lived in Ventura County
 16 since 1968. I oppose the project and believe the DEIR needs
 17 evidentiary hearings by the Public Utilities Commission to
 18 get the facts right.

19 The project is not good for California either now,
 20 or in the short term, or especially the long term. If the
 21 project is permitted to proceed, California will become
 22 gradually dependent upon foreign supplies of natural gas,
 23 the whims of foreign government politics, worldwide
 24 competitive market-based fuel costs and uses, and we'll lose
 25 out to higher demand in easier transport locations in China

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T004-89

Section 1.2.1 contains information on the USCG and State formal hearings.

Following publication of this Final EIS/EIR, MARAD, the USCG, and the CSLC will serve public notice and hold final hearings. MARAD and the USCG will hold a final DWPA license hearing in accordance with 33 CFR 148.222. After the final license hearing is concluded by MARAD and the USCG, the Commandant (CG-3PSO), in coordination with the Administrator of MARAD, will consider any requests for a formal hearing as specified in 33 CFR 148.228. The CSLC will hold a hearing to certify the EIR and make the decision whether to grant a lease.

As discussed in Section 1.2.1, the California Energy Commission (CEC) and California Public Utilities Commission (CPUC) must "carry out their respective energy-related duties and responsibilities based upon information and analyses contained in a biennial integrated energy policy report adopted by the CEC." Section 1.2.1 also describes the public process that is used to develop the Integrated Energy Policy Reports to ensure that California's energy-related interests and needs are met.

Section 1.5 contains information on opportunities for public comment. After the MARAD final license hearing, the public will have 45 days to comment on the Final EIS/EIR and the license application. The Federal and State agencies will have an additional 45 days to provide comments to the MARAD Administrator. The Administrator must issue the Record of Decision within 90 days after the final license hearing. The CSLC will hold a hearing to certify the EIR and make the decision whether to grant a lease. The California Coastal Commission will also hold a hearing. Comments received will be evaluated before any final decision is made regarding the proposed Project.

T004-89

T004-90

T004-90

Section 1.2 discusses dependence on foreign energy sources.

1 and India.

2 New. Mention was made of the rapid expansion of
3 exploration of drilling and oil line production in the Rocky
4 Mountains, currently set by the Federal Administration.

5 New. In the New York Times article yesterday,
6 seven utility companies have partnered to fund and study the
7 development of a 1,300-mile transmission line from the Rocky
8 Mountains to provide electricity from little or no
9 greenhouse gas sources, called the Frontier Line, it will
10 provide 14,000 megawatts, serving 10 million homes in the
11 several western states. We need to look at this.

12 New. The current administration expressed by
13 President Bush directs our energy policy away from
14 dependance upon foreign supplies of energy. This factor has
15 not been built into the project or the foreign dependence
16 section. We need to look at it.

17 New. California Legislative Bill 426 seeks to
18 establish a State Energy Resources Conservation and
19 Development Commission, it's very important to plan the
20 future. We should look at that.

21 New. The statement on page 112, line 26, says
22 "energy security and the United States economy." It's a
23 weak reference to a very important issue left out. Look,
24 it's a global demand, folks, mainly from China and India.
25 It leaves out the demand factor from China and India. The

T004-91

Sections 1.2.2 and 1.2.3 contain updated information on natural gas needs in the U.S. and California. Forecast information has been obtained from the U.S. Department of Energy's Energy Information Agency and from the California Energy Commission.

T004-91

T004-92

Thank you for the information.

T004-93

Section 1.2 discusses dependence on foreign energy sources.

T004-92

T004-94

California Senate Bill 426 (Simitian), which would have created a ranking process for different LNG projects, was re-referred to the California Assembly Committee on Utilities and Commerce on August 24, 2006. As of November 30, 2006, the Legislature's Current Bill Status shows it as "From Assembly without further action," which ended the consideration of the bill during the 2005-06 Legislative Session.

T004-93

T004-95

As indicated in Section 1.2.2, the Federal Energy Information Administration considers global gas demand in developing energy forecasts and analyses. Sections 1.2.2 and 1.2.3 contain updated information on natural gas needs in the U.S. and California. Forecast information has been obtained from the U.S. Department of Energy's Energy Information Agency and from the California Energy Commission.

T004-94

T004-95

T004-95 Continued

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1 population combined is 2.3 billion people. That's half the
 2 people on the earth, folks. We have 300 million. Who's
 3 going to get the gas?

4 Okay, the State Lands Commission needs to further
 5 examine Section 416, "Socioeconomics," within CEQA. The
 6 picture can be scary. Once we are dependant upon foreign
 7 LNG for natural gas supplies, it's probably we're going to
 8 be out of money, policy, and we need to look at that. We
 9 need evidentiary hearings.

10 Okay. The sentence on page 37, "a component of
 11 State policy is to diversify the electrical system." But,
 12 wow, administrative procedures have hindered it. We need to
 13 look at that.

14 Please, State Land Commission Commissioners, do
 15 not certify the DEIR, it has missing pieces. Save
 16 California from another addictive disease, foreign supply
 17 natural gas dependency. This could become the new drug
 18 problem for our children. Concentrate and support on
 19 conservation, renewables, especially solar. This can and
 20 should be California's future --

21 MODERATOR GRANT: Your time is up.

22 MR. MILEY: -- environmentally, economically,
 23 politically. And as a leader in caring for our earth.
 24 Thank you.

25 (Applause.)

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T004-95
Continued

T004-96

T004-97

T004-98

T004-99

T004-96

Section 1.2 discusses dependence on foreign energy sources.

T004-97

As indicated in Section 4.10.1.3, California Energy Action Plan, "To offset some of the demand for natural gas, California is increasing its energy conservation programs, will retire less efficient power plants, and is diversifying its fuel mix by accelerating the Renewables Portfolio Standard. However, according to the State's 2005 Energy Action Plan, California must also promote infrastructure enhancements, such as additional pipeline and storage capacity, and diversify supply sources to include liquefied natural gas (LNG)." Contrary to the comment, the CEC has studied whether California needs to import LNG to meet its energy needs and concludes, as indicated above, that it does.

As also discussed in Section 4.10.1.3, the CPUC recently reaffirmed that both the State's Integrated Energy Policy Report and Energy Action Plan recognize the need for additional natural gas supplies from LNG terminals on the West Coast: "However, even with strong demand reduction efforts and our goal of 20% renewables for electric generation by 2010, demand for natural gas in California is expected to roughly remain the same, rather than decrease, over the next 10 years. This is because, a substantial portion of the other 80% of electric generation (not met by renewable energy sources) will need natural gas as its fuel source, and natural gas will still be needed for the growing number of residential and business customers of the natural gas utilities."

T004-98

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-99

Sections 3.3.1 and 3.3.2 address conservation and renewable energy sources, within the context of the California Energy Commission's 2005 Integrated Energy Report and other State and Federal energy reports, as alternatives to replace additional supplies of natural gas.

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MODERATOR GRANT: Mr. Terry, Bill Terry.

MR. TERRY: Good evening, I'm Bill Terry, thank

you for being here. Appreciate the opportunity to voice my
opinion.

My topic is environmental justice. Why Oxnard?

Nowadays, racism is masked by social and economic
discrimination, greed and arrogance is what's driving this
project. The name, Cabrillo Port, is an affront to an
indigenous people in this area.

BHP Billiton has a criminal track record when it
comes to environmental and human rights. They have been in
our town for over three years, whining and dining the movers
and shakers. Now, for the regular people, they are setting
up pizza parties and soda parties, also giving away lottery
tickets. The scandal should tell us something what's wrong
here. Cheap gas, who's lying here?

LNG safety record. BHP has no record of LNG and
has a deadly one of natural resources. No project like this
has been done anywhere in the world, and this is BHP's first
LNG experience. They failed with the first environmental
report. It only takes one failure of this project to wipe
us all out.

Computers put out what they want, what people want
them to put out. What went wrong in Bikini Island, in 1954?
The powers to be said it would be safe. Not quite.

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T004-100

The USCG, MARAD, and the CLSC received an application for a deepwater port off the shore of Ventura County. The USCG and MARAD are therefore required under NEPA to evaluate this alternative as the Applicant's preferred alternative. The agencies have evaluated this alternative in comparison with the other reasonable alternatives in compliance with NEPA and the CEQA.

The EIS/EIR initially evaluated 18 locations for the FSRU as potential locations for the deepwater port. It built on previous California Coastal Commission studies that evaluated nearly 100 locations. Section 3.3.7 contains information on other locations that were considered. Section 4.19 specifically discusses environmental justice issues related to the proposed Project.

The Applicant is required to adhere to all applicable Federal, State, and local laws, regulations, and permit requirements in the execution of all phases of the Project. Section 4.2.6 states, "The environmental and occupational safety record for the Applicant's worldwide operations, including, for example, mining ventures overseas, was not considered in evaluating potential public safety concerns associated with this Project because such operations are not directly comparable to the processes in the proposed Project." The conclusions in the EIS/EIR are based on the analyses of potential environmental impacts of the proposed Project and the implementation assumptions stated in Section 4.1.7. However, the Applicant's safety and environmental record will be taken into account by decision-makers when they consider the proposed Project.

Section 4.2 and Appendix C contain information on public safety.

T004-101

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-100

T004-101

T004-101 Continued

66

1 Murphy's Law works most of the time. Don't put our future
2 at risk.

3 Why does BHP run the pipeline to Oxnard, when they
4 could save about seven miles of pipeline if they went
5 straight through Thousand Oaks and Camarillo. BHP will pay
6 the farmers for their loss of land and production. Who are
7 the other businesses that's in the ag. business, that will
8 be affected by this disruption, going to be compensated?
9 Don't forget the workers who are just making it.

10 With the destruction of Oxnard Plains ag., where
11 are the millions of cubic yards of soil that is going to be
12 displaced by this 36-inch pipeline going to be spread. How
13 is this going to affect the environmental, and what about
14 the DDT.

15 The pipeline will be near homes, a few affluent,
16 but disproportionate number of low income homes. If there
17 is a disaster, and all get out safely, you know who will
18 have the least problem to recuperate. Thank you.

19 (Applause.)

20 MODERATOR GRANT: Ann Gist Levin.

21 MS. LEVIN: Hello, my name is Ann Gist Levin and
22 I'm speaking for myself tonight. I want to say, first, that
23 I have been going through both the volumes and reading the
24 summary, as well, and I've been studying this all. This
25 subject has been studied by the residents of Ventura County,

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T004-101
Continued

T004-102

T004-102

Section 3.3.10 contains information on the factors that were considered in selecting the route of the offshore pipelines. Section 3.3.12 contains information on the selection of onshore pipeline routes.

T004-103

T004-103

As part of its evaluation, United States Department of Agriculture Natural Resources Conservation Service considered the impact on agricultural businesses and determined that the proposed Project and its alternatives would not have a significant impact (see Section 4.5.4). Section 2.7 discusses construction of the onshore pipelines.

T004-104

T004-104

Section 2.7.1.6 describes the excavation and replacement of soil during construction. Impact HAZ-3 in Section 4.12.4 addresses the release of existing contaminants during construction activities.

T004-105

T004-105

Sections 4.19.1 and 4.19.4 contain information on potential Project impacts on minority and low-income communities and mitigation measures to address such impacts.

67

1 and Los Angeles County, as well as by people like me, who
 2 are learning how to read an EIR, and we do appreciate when
 3 the language is clear.

4 But one of the things I want to complain about is
 5 the language was -- the description of the air pollution,
 6 the rigmarole that went on between the EPA, and so forth,
 7 and the county, and the State was very difficult to
 8 interpret. And even in the newspaper this morning, I read
 9 that there's a change that's been made in the EIR. It was
 10 in the press, in the Star Press.

11 So the little message that I was going to speak
 12 tonight was about air pollution and in just a simple way say
 13 that it's a major concern to all of us here.

14 And a couple of days ago I just received
 15 invitation to donate to the American Lung Association Asthma
 16 Walk, that's going to be May 6th, in Ventura Harbor. I'll
 17 walk with them and I will say to them that I ask for
 18 stronger measures than those proposed in the DEIR, for
 19 Billiton's proposal.

20 And I know that natural gas is less polluting than
 21 coal, but it is a greenhouse gas and the quality of air
 22 means everything to the children and others in our district.
 23 The LNG facilities are polluting too much and it's an area,
 24 here, that is already not conforming to clean air standards.

25 Thank you for the chance to be here.

T004-106

The Project has been modified since issuance of the March 2006 Revised Draft EIR. See Section 1.4.2 for a summary of Project changes. Section 4.6.1.3 contains revised information on Project emissions and proposed control measures. Section 4.6.4 discusses the health effects attributed to air pollutants and includes revised impacts and mitigation measures.

T004-107

Sections 4.6.1.4 and 4.6.2 contain information on Project emissions of greenhouse gases and recent California legislation regarding emissions of greenhouse gases.

T004-106

T004-107

T004-108

Section 1.3 contains information on the purpose and scope of the EIS/EIR and the roles and responsibilities of the lead agencies, and Section 1.4 discusses the recirculation of the Revised Draft EIR.

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1 (Applause.)
2 MODERATOR GRANT: Our next group of speakers.
3 Robert E. Rail. Is Robert E. Rail in the house?
4 MR. RAIL: I'll pass.
5 MODERATOR GRANT: Okay, thank you, Mr. Rail.
6 Timur Taluy, T-a-l-u-y. Timur Taluy, is that you?
7 Okay, you will be our next speaker. Followed by Jean
8 Roundtree, Barry Gaynor, Rebecca Ralph, and Jill Singer.
9 Please begin, sir.
10 MR. TALUY: I'd like to thank you both for coming
11 out from Washington and Sacramento, I know it's a long trip
12 to come visit beautiful Oxnard here. There are so many
13 microphones on this podium, I'm having trouble keeping my
14 notes in place.
15 You know, I went through the EIR and I read
16 certain pages and I looked at a lot of the pictures. And I
17 know today we've had a lot of speakers come out and talk to
18 us about the environmental impacts. I think our mayor
19 talked about public safety, and talked about schools and
20 pollution. And the past mayor of Calabasas, I think, really
21 made a good segue into what I want to talk about.
22 What I want to talk about today is the role of
23 government and the reason why we have a California
24 Environmental Quality Act. The people of California and the
25 people of the United States create policies and procedures,

T004-108

T004-108 Continued

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1 and organizations to protect the safety of the individuals.

2 In a lot of ways, the government's role is to
3 protect citizen's safety and well-being in ways individuals
4 cannot.

5 Individuals like us, we can come to these
6 meetings, we can speak, we can vote, we can file our taxes,
7 we can do all these sorts of things.

8 But what we can't do is we can't protect our
9 coasts as a whole. We can't be out there stopping foreign
10 interests or our domestic interests from damaging our air
11 quality. We rely on our government and our elected
12 officials, and our committees, and our organizations to do
13 that for us within the government, and I think that's what
14 we're doing here.

15 We have so many folks here today. I mean, there's
16 hundreds of people here, there's media, there's everybody.
17 Because we're concerned about this and we believe that this
18 is going to cause harm to our environment and our economy.
19 and I think that's what government should do. Government
20 should recognize that and look into it, and I appreciate
21 this EIR process. And I hope we go through it and find all
22 that.

23 There's much better alternatives. I mean, I'm
24 part of a homeowner's association and we're talking about
25 transforming our 26,000 square feet of rooftop into solar

T004-108
Continued

T004-109

Sections 1.2.2, 1.2.3, 1.2.4, 3.3.1, 3.3.2, and 4.10.1.3 contain information on the need for natural gas, the role and status of energy conservation and renewable energy sources, and the California Energy Action Plan.

Sections 3.3.1 and 3.3.2 address conservation and renewable energy sources, within the context of the California Energy Commission's 2005 Integrated Energy Report and other State and Federal energy reports, as alternatives to the Project.

T004-109

T004-109 Continued

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1 energy producing facilities.

2 I was speaking to the Australian gentleman, from
3 the Australian government, earlier, and he says they have
4 great solar technology to heat water for water heating. I
5 think it's a great idea. These types of products and these
6 types of services are what we need in the community and we
7 need to build on, and we really need to rely on our
8 governments to protect us, and to protect our coast, and
9 protect our environment. You know, the pollution, alone, is
10 just one reason to deny this project.

11 There's many, many more and I think that, as the
12 Committee, you should recommend denial of this project and
13 let the government keep protecting the people rather than,
14 you know, interfering with what's going on.

15 So with that, I'm going to end early, before the
16 beeping starts. So thank you so much, you guys, have a nice
17 day. Thank you for coming.

18 MODERATOR GRANT: Thank you.

19 (Applause.)

20 MODERATOR GRANT: Jean Roundtree.

21 MS. ROUNDTREE: Good evening, my name is Jean
22 Roundtree. I live at 215 Ocean Drive, Oxnard. I speak
23 tonight on behalf of the Beacon Foundation, a local group of
24 environmentalists trying to protect the coast.

25 As a member of the statewide working group for LNG

T004-109
Continued

T004-110

Sections 4.6.4 and 4.18.4 discuss the Project's potential impacts on air and water quality. Sections 4.7.4 and 4.8.4 discuss the Project's potential effects on the marine and terrestrial environments.

T004-111

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-110

T004-111

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1 and as a member of the Saviors Road Design Team, I'll be
 2 speaking on the effect of air quality on our environmental
 3 justice in Oxnard.

4 Billiton has chosen to bring this liquified
 5 natural gas program into the Oxnard community, where 66.2
 6 percent of the population is Hispanic/Latino, and 15.1
 7 percent of the population is below poverty level, almost
 8 twice that of the rest of Ventura County.

9 Billiton's corporate actions, affecting lower
 10 income ethnic groups around the world, show a preference for
 11 destructive environmental projects in communities where they
 12 expect to encounter the least resistance and when their
 13 company money speaks the loudest.

14 I'll point to only three of many instances where
 15 this corporation has avoided law and wrecked havoc on the
 16 people and their environment.

17 Billiton's PR spin claims widespread community
 18 support for their mining operation in the Philippines. The
 19 truth is that two of three local governments opposed them
 20 and their encroachments on habitats and set-aside lands.
 21 And that over 800 residents signed a petition demanding that
 22 Billiton get out.

23 In Columbia, families evicted from their homes for
 24 a Billiton mine expansion, are still homeless after almost
 25 five years.

T004-112

Section 4.19 specifically discusses Environmental Justice issues related to the proposed Project. The methodology used in Section 4.19 is consistent with the U.S. Environmental Protection Agency's environmental justice guidelines and the methodology adopted by the California State Lands Commission to implement its environmental justice policy.

T004-112

T004-113

The Applicant is required to adhere to all applicable Federal, State, and local laws, regulations, and permit requirements in the execution of all phases of the Project. Section 4.2.6 states, "The environmental and occupational safety record for the Applicant's worldwide operations, including, for example, mining ventures overseas, was not considered in evaluating potential public safety concerns associated with this Project because such operations are not directly comparable to the processes in the proposed Project." The conclusions in the EIS/EIR are based on the analyses of potential environmental impacts of the proposed Project and the implementation assumptions stated in Section 4.1.7. However, the Applicant's safety and environmental record will be taken into account by decision-makers when they consider the proposed Project.

T004-113

T004-113 Continued

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1 In New Guinea, Billiton dumped mining waste into
2 the ocean and rivers, causing 500 square kilometers of
3 forest die back, which will soon become well over 1,000.

4 There are predictions of acid rock drainage,
5 likely to cause life-threatening food and water shortages
6 for villages downstream, and leave rivers dead for two to
7 three hundred years.

8 And then they just sold off their 52 percent of
9 the company to some Singapore company and they left
10 insufficient funds to address the long-lasting damage
11 they've done.

12 And what will happen in Oxnard? Even if a
13 fireball from an explosion never reaches our shore, Oxnard
14 residents still will have the risk of huge, high-pressure
15 pipes under their homes, and their families, and their
16 schools, and their hospitals.

17 You know, things, accidents do happen. They have
18 before, with these pipelines. And even so, this low-income
19 community will be the victim. Day after day, with no
20 disaster, they will still breath the air, already unsafe,
21 made more toxic by the three diesel engine ships docking
22 every week at the floating platform, and by the operation of
23 the platform, itself.

24 MODERATOR GRANT: Your time is up.

25 MS. ROUNDTREE: This is an un-want community.

T004-113
Continued

T004-114

The proposed pipelines within Oxnard city limits would meet standards that are more stringent than those of existing pipelines because they would meet the minimum design criteria for a USDOT Class 3 location. Also, MM PS-4c includes the installation of additional mainline valves equipped with either remote valve controls or automatic line break controls. Section 4.2.8 addresses safety issues related to natural gas pipelines. Section 4.2.8.4 contains information on the estimated risk of Project pipeline incidents. Section 4.13.1 contains information on sensitive land uses in proximity to proposed and alternative pipeline routes, such as schools. There are no schools in the immediate vicinity of either of the proposed pipeline routes. Section 4.2.8 describes regulations regarding pipelines, including the requirement to establish public education programs to prevent and respond to pipeline emergencies. Section 4.2.8.4 contains information on the estimated risk of Project pipeline incidents. Section 4.16.1.2 describes emergency planning and response capabilities in the Project area.

T004-114

T004-115

The Project has been modified since issuance of the March 2006 Revised Draft EIR. See Section 1.4.2 for a summary of Project changes. Section 4.6.1.3 contains revised information on Project emissions and proposed control measures. Section 4.6.4 discusses the health effects attributed to air pollutants and includes revised impacts and mitigation measures.

T004-115

T004-116

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-116

T004-116 Continued

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1 Please don't bring this project here. Thank you.

2 MODERATOR GRANT: Barry Gaynor.

3 MR. GAYNOR: Hi, my name's Barry Gaynor, I live in
4 Oxnard. I surf here every day, I teach public school here
5 at Richin, just off Gonzales. I raise my family here, I'm
6 invested in a clean, safe Oxnard.

7 And believe me, I welcome all visitors interested
8 in enjoying and respecting Oxnard's pristine beauty, but I
9 am hurt, angry, and confused about why a foreign entity, BHP
10 Billiton, would propose to put a dangerous polluting LNG
11 terminal at sea, off our fragile coastline.

12 According to the Washington Correspondent, this
13 methane gas is at the highest supply level since 1984, LNG
14 is, so there's absolutely no need for this project.

15 Enron has taught us Californians that the
16 manipulation of supply, the appearance of need benefits
17 these energy companies in securing new sites, raising
18 prices, and raking in record profits. BHP is not looking
19 out for the needs of California residents.

20 What we need is safe, clean, renewable sources of
21 energy, not more fossil fuels and greenhouse gases.
22 Billiton is just another big business concerned with the
23 pursuit of obscene profits.

24 According to Billiton's own report, this floating
25 experimental menace will spew 270 tons of air pollutants per

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T004-116
Continued

T004-117

Sections 1.2.2 and 1.2.3 contain updated information on natural gas needs in the U.S. and California. Forecast information has been obtained from the U.S. Department of Energy's Energy Information Agency and from the California Energy Commission.

T004-118

Sections 1.2.2, 1.2.3, 1.2.4, 3.3.1, 3.3.2, and 4.10.1.3 contain information on the need for natural gas, the role and status of energy conservation and renewable energy sources, and the California Energy Action Plan. Sections 3.3.1 and 3.3.2 address conservation and renewable energy sources, within the context of the California Energy Commission's 2005 Integrated Energy Report and other State and Federal energy reports, as alternatives to the Project.

T004-119

The Project has been modified since issuance of the March 2006 Revised Draft EIR. See Section 1.4.2 for a summary of Project changes. Section 4.6.1.3 contains revised information on Project emissions and proposed control measures. Section 4.6.4 discusses the health effects attributed to air pollutants and includes revised impacts and mitigation measures.

T004-117

T004-118

T004-119

T004-119 Continued

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1 year and blow with the trade winds all over Ventura County,
2 its residents, and especially our children.

3 Asthma and respiratory illness among my students
4 will surely increase. Oh, but that's right, at three
5 o'clock today, your spokeswoman says the pollution won't be
6 all that bad. She says it's "just not spelled out exact" in
7 the report. Is it 50 percent less, is the pollution one-
8 tenth of one percent less? It sounds like shady business
9 tactics to me.

10 Be honest. Your tugboats and terminal will run on
11 fossil fuels. The ocean water quality will be degraded by
12 discharge by the port. Surfers, beach-goers, tourists,
13 dolphins and other marine life will all suffer. Air
14 pollution, water pollution. It all stinks, to me.

15 In addition, this gas will flow through high-
16 pressure pipelines, right by my school, and several others,
17 exposing our kids to unnecessary, unspeakable dangers.

18 Previously, a Billiton platform broke free during
19 Hurricane Rita and drifted for 165 miles. Will it happen
20 here? This reality could incinerate and kill Ventura County
21 residents, including my four-year-old daughter, Erin.

22 Katrina, 911, Northridge, tsunamis. Need I say
23 more?

24 Eureka said no to the disgusting, permanent
25 negative effects of your proposal. Vallejo said no.

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T004-119
Continued

T004-120

Sections 2.2.2.6 and 4.18.4 contain additional information on discharges from the port. Section 4.15.4 discusses recreation as affected by the proposed Project. Section 4.7.4 discusses marine biological resources. Sections 4.6.4 and 4.18.4 discuss the Project's potential impacts on air and water quality.

T004-121

Section 4.13.1 contains information on sensitive land uses in proximity to proposed and alternative pipeline routes, such as schools. There are no schools in the immediate vicinity of either of the proposed pipeline routes. Section 4.2.8 describes regulations regarding pipelines, including the requirement to establish public education programs to prevent and respond to pipeline emergencies. Section 4.2.8.4 contains information on the estimated risk of Project pipeline incidents. Section 4.16.1.2 describes emergency planning and response capabilities in the Project area.

T004-120

T004-121

The proposed pipelines within Oxnard city limits would meet standards that are more stringent than those of existing pipelines because they would meet the minimum design criteria for a U.S. Department of Transportation (USDOT) Class 3 location. Also, MM PS-4c includes the installation of additional mainline valves equipped with either remote valve controls or automatic line break controls. SoCalGas operates high-pressure natural gas pipelines throughout Southern California.

T004-122

T004-122

The Typhoon Platform, a tension leg production platform in the Gulf of Mexico jointly owned by Chevron and BHPB, was severed from its mooring and severely damaged during Hurricane Rita. The Typhoon Platform was designed for a different purpose using different design criteria.

T004-123

The Cabrillo Port must be designed in accordance with applicable standards, and the USCG has final approval. Section 2.1 contains information on design criteria and specifications, final design requirements, and regulations governing the construction of the FSRU. Section 4.2.4 contains information on Federal and State agency jurisdiction and cooperation. The Deepwater Port Act specifies performance levels that all deepwater ports must meet; Section 4.2.7.3 contains information on design and safety standards for the deepwater port. Section 4.2.8.2 contains information on pipeline safety and inspections. If the FSRU were to

become unmoored, the patrolling tugboats could be used to hold it in place. Section 4.3.1.4 addresses this topic.

The regulation implementing the Deepwater Port Act (33 CFR 149.625 [a]) states, "Each component, except for those specifically addressed elsewhere in this subpart (for example, single point moorings, hoses, and aids to navigation buoys), must be designed to withstand at least the combined wind, wave, and current forces of the most severe storm that can be expected to occur at the deepwater port in any 100-year period." By definition, a 100-year wave event is expected to occur once every 100 years on average over the course of many hundreds of years. The EIS/EIR's analyses have been developed with consideration of these factors and regulations.

The lead agencies directed preparation of the Independent Risk Assessment (IRA), and the U.S. Department of Energy's Sandia National Laboratories independently reviewed it, as discussed in Section 4.2 and Appendix C. Section 4.2.7.6 and the IRA (Appendix C1) discuss the models and assumptions used and the verification process. Sandia National Laboratories (Appendix C2) concluded that the models used were appropriate and produced valid results. Section 4.2.7.6 and the Independent Risk Assessment (Appendix C1) contain information on public safety impacts from various incidents at the FSRU. The analysis indicates that the maximum impact distance of an accident would involve a vapor cloud dispersion extending 6.3 nautical miles (7.3 miles) from the FSRU. The FSRU would be located approximately 12.01 nautical miles (13.83 miles) offshore; therefore, consequences of an accident involving LNG transport by carrier and storage on the FSRU would extend no closer than 5.7 nautical miles (6.5 miles) from the shoreline.

Section 4.2.7.6 and the Independent Risk Assessment (Appendix C1) contain information on public safety impacts from various incidents at the FSRU. The analysis indicates that the maximum impact distance of an accident would involve a vapor cloud dispersion extending 6.3 nautical miles (7.3 miles) from the FSRU. The FSRU would be located approximately 12.01 nautical miles (13.83 miles) offshore; therefore, consequences of an accident involving LNG transport by carrier and storage on the FSRU would extend no closer than 5.7 nautical miles (6.5 miles) from the shoreline. Figure ES-1 depicts the consequence distances surrounding the FSRU location for worst credible events.

T004-123

Your statement is included in the public record and will be taken

into account by decision-makers when they consider the proposed Project.

T004-123 Continued

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1 Tijuana said no.

2 Oxnard, what do you say?

3 (Collective "No" from audience.)

4 MR. GAYNOR: Join the Oxnard School District, the
5 Oxnard PTA, Malibu and Oxnard City Council, the Sierra Club,
6 and all the Ventura County residents I know in making a
7 decision based not on big business pursuing profits, but on
8 the priceless environment and the quality of life for future
9 generations of our children.

10 (Applause.)

11 MODERATOR GRANT: Rebecca Ralph. Rebecca Ralph.

12 MS. RALPH: Thank you. My name is Rebecca Ralph
13 and I am a resident of Oxnard. I've lived at my current
14 address, you have the card, for approximately 27 years. We
15 live right by Rice and Channel Islands Boulevard. I am the
16 secretary for Diamond Bar neighborhood. As a
17 representative, I felt I had to comment tonight. I'd really
18 rather submit it written, which I hope to at a later time.

19 But as the secretary for our neighborhood, our
20 neighborhood voted that LNG was unsafe and there were many
21 concerns about liquefaction and explosion. Right there by
22 Rice, where the pipeline is going to be, we have salt water
23 intrusion. Water has been pumped, regular water has been
24 pumped in there to alleviate the salt water. Liquefaction
25 is for real, don't just look at statistics. This is a

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T004-123
Continued

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The lead agencies directed the preparation of the Independent Risk Assessment (IRA), and the U.S. Department of Energy's Sandia National Laboratories independently reviewed it, as discussed in Section 4.2 and Appendix C. (Section 4.2, Appendix C1, and Appendix C2 contain additional information on this topic.) Section 4.11 contains information on seismic and geologic hazards. Appendices J1 through J4 contain additional evaluations of seismic hazards.

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1 serious problem and this is right where you're going to put
2 this pipeline.

3 Also, I wanted to make comment about the aircraft.
4 We have blimps, we have helicopters, we have airplanes
5 pulling banners, they go right there, right where you're
6 going to put this pipeline, circling around, advertising.
7 This goes on every year and I complain to my city council
8 about this.

9 Santa Paula has no record of what aircraft, where
10 they're flying, where they come from, or what kind of route
11 they're following, but they do cross right there at Rose and
12 right where you're going to be putting this pipeline, so I
13 felt I had to say that.

14 Also, I'd like to comment that I made a written
15 comment, early on when LNG -- we first heard of this. I e-
16 mailed it and I never got any response, I have not seen
17 anything in writing since. So I wanted to make that noted.

18 Also, I'd like to say that LNG will stagnate
19 progress towards safe energy sources. For instance, San
20 Francisco, it was publicized that they've got like about
21 2,000 homes that are currently going to be using a safe
22 method, like methane.

23 Oxnard currently has a problem with land, how
24 they're going to store their waste products, and they have a
25 future of court action that's going to have to be resolved.

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Continued

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As discussed in Section 4.17.3, the proposed Project would have no significant effect on air operations or vice versa.

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In accordance with NEPA and the CEQA regulations, the lead Federal and State agencies have responded specifically to all comments, both oral and written, that concern the Project's environmental issues received during public comment periods. All comments and responses are included in the Final EIS/EIR.

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Chapter 3 addresses Project alternatives including alternative energy sources.

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T004-127 Continued

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1 And methane would be a good source, a good way to go.

2 It was also publicized in Brazil, they're now
3 independent of a foreign --

4 MODERATOR GRANT: Your time's up.

5 MS. RALPH: Thank you very much.

6 (Applause.)

7 MS. SINGER: Good evening. My name is Jill
8 Singer, I'm an attorney in Ventura and I live in Simi
9 Valley.

10 I've been a recreational boater, both power and
11 sail, all of my life, off the Channel Islands.

12 My comments are directed to Chapter 4.3, "Marine
13 Traffic," with respect to recreational boaters. On page
14 4.15-14, line 31, the EIR states, and let me quote it for
15 you, "judging the intensity of the impact with respect to
16 recreational boaters is subjective."

17 Okay, I'm here tonight to give you my subjective
18 comments concerning small power boaters and sailors, as it
19 reduces the quality of the offshore recreational experience.

20 The proposed location of the port is in a major
21 corridor for the sailing community. There are thousands of
22 boaters located in marinas from Dana Point to Santa Barbara,
23 who use this corridor. Marina del Rey, alone, is the
24 largest small boat harbor in the world.

25 Now, let me explain this corridor. When sailors

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Thank you for the information.

If approved and constructed, Cabrillo Port would be placed on nautical charts printed by the NOAA Office of Navigation and Charting. Included in the accompanying notes would be an explanation of the Safety Zone and Area To Be Avoided with references to the applicable federal regulations and Coast Pilot for the geographic region.

The LNG carrier approaches would not be depicted on the chart(s) as they are for internal (DWP support) use only and are not formally established as ships' routing measures.

The NOAA Office of Navigation and Charting reviews charts annually for updates and reprinting. In the interim, updates are distributed as monthly notices to mariners (NOAA) and weekly local notices to mariners (USCG). Paper charts are available for ordering on the NOAA website: <http://chartmaker.ncd.noaa.gov/>. Commercial vessels regulated by the USCG must carry the latest version of paper charts or at least currently corrected copies and must be the appropriate scale for safe navigation in the areas transited.

Electronic or "raster" charts are available for free download on the NOAA website <http://nauticalcharts.noaa.gov/mcd/Raster/Index.htm> (only recreational vessels are allowed to carry electronic-only charts). Coast Pilots can be ordered in paper format or downloaded for free at: <http://chartmaker.ncd.noaa.gov/nsd/cpdownload.htm>.

4.15.1.1 contains information on offshore recreation. In general, recreational boaters in the Oxnard-Ventura area travel past Platform Grace and into and beyond the shipping lanes heading for the CINP; however, some recreational boats travel past the shipping lanes to destinations farther south.

The locations of the commercial shipping lanes in relation to the FSRU are shown in Figure 1.0-1 in Chapter 1, "Introduction." Recreational boating takes place within the context of annual commercial vessel traffic in the area consisting of approximately 5,000 large (more than 300 gross weight tons) vessels transiting within these lanes in the Santa Barbara Channel (10,000 transits total), approximately 250 large commercial vessels crossing these

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traffic lanes to enter and leave Port Hueneme, and approximately 120 supertankers and other vessels not using the traffic scheme en route to and from refineries in El Segundo, Los Angeles, and Long Beach. Impact REC-1 addresses temporary restrictions on offshore recreational boating during construction and Impact REC-3 acknowledges that the quality of the offshore recreational experience would be reduced.

T004-128 Continued

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1 travel in a northern direction towards Oxnard like, for
 2 example, from Marina del Rey, or from Catalina, when there's
 3 a strong, northwest prevailing wind, they need to tack out
 4 west towards Anacapa, on a broad reach, where they can reach
 5 the safety of a wind block. From that point they can either
 6 sail towards safe anchor in Santa Cruz, or else tack back
 7 towards Oxnard, Ventura, or Santa Barbara harbors.

8 If such a sailor does not tack out towards
 9 Anacapa, they'll have to move back into the shipping lane,
 10 directly into the bad weather and out of power, if they do
 11 not have an alternate source. This is a dangerous position
 12 to be in, obviously, with commercial traffic.

13 Sailboats usually travel around six knots. Well,
 14 that's about five miles per hour to you and I. And some are
 15 not the best equipped or have much experience, thus the port
 16 and its increased traffic location is clearly a hazard for
 17 sailors.

18 On page 4.15-14, it indicates boaters could see
 19 large vessels in the shipping lane. The problem is they'll
 20 be unable to get out of the way, five miles per hour.

21 The platform will be also a hazard to boaters in
 22 bad, freak weather that's been logged in sea captain's logs
 23 since the time of Sir Francis Drake. The last freak weather
 24 storm occurred in 1976 when my own father and brother
 25 narrowly survived in 24-foot power boat.

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Continued

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Section 4.3.1.3 discusses the safety measures that would be implemented to avoid collisions. In addition, all Project vessels would have to adhere to all international and Federal vessel safety rules and regulations, as discussed in Section 4.3.2.

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Impact MT-3 addresses the long-term increase in safety hazards related to the presence of the FSRU. MM MT-3a and MM MT-3f would reduce hazards to small boaters, and MM MT-3g would provide information on the location of the FSRU to boaters.

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1 The EIR completely misses the point regarding
2 collisions and the recreational boater experience. Small
3 boaters will be placed in a dangerous situation that can end
4 in capsize and death.

5 MODERATOR GRANT: Ms. Singer, your time is up.

6 MS. SINGER: Thank you.

7 (Applause.)

8 MODERATOR GRANT: To all speakers and to the
9 question of the previous speaker, just a reminder that the
10 time to submit your written comments has been extended to
11 May 12th. Also, a reminder to let you know that we have
12 several more speakers, so if you spoke this afternoon, your
13 comments are on the record and you may want to keep your
14 comments short in consideration for people who have not
15 participated, yet.

16 The next group of speakers are Susan Jordan, Karen
17 Kraus, Amber Tysor, Shiva Polefka, Alicia Roessler, and
18 Linda Krop. Thank you.

19 Susan Jordan, please begin.

20 MS. JORDAN: Thank you very much. My name is
21 Susan Jordan and I'm the Director of the California Coastal
22 Protection Network.

23 And on behalf of our members in Ventura, Los
24 Angeles, and Santa Barbara Counties, CCPN has put together
25 an organized presentation that will address the most serious

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T004-131

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-132

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

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T004-132 Continued

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1 and egregious deficiencies in the Revised Draft
2 Environmental Review document.

3 But before I turn this over to the Environmental
4 Defense Center, there are several points I would ask the
5 people in this room to keep in mind, as they listen to the
6 testimony tonight.

7 First, it's important to know just who is
8 proposing this project. BHP Billiton happens to be the
9 largest mining company in the world. That is in the world.
10 They have a history of environmental violations and
11 degradation across the globe. This is a matter of public
12 record, easily accessible on the web. A history of
13 conflicts with worker's unions, also a matter of public
14 record.

15 And they are currently on the front pages of the
16 Australian Press, being investigated for an Iraqi oil
17 scandal, in an apparent violation of UN sanctions, in an
18 effort to get access to Iraq's oil fields for their own
19 profit.

20 Second, BHP Billiton has never built or operated
21 an LNG terminal anywhere in the world. Cabrillo Port will
22 be their first. And yet, despite their lack of operational
23 experience, they have proposed a design that has never been
24 done anywhere else in the world, as their first venture out
25 of the gate.

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Continued

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The Applicant is required to adhere to all applicable Federal, State, and local laws, regulations, and permit requirements in the execution of all phases of the Project. Section 4.2.6 states, "The environmental and occupational safety record for the Applicant's worldwide operations, including, for example, mining ventures overseas, was not considered in evaluating potential public safety concerns associated with this Project because such operations are not directly comparable to the processes in the proposed Project." The conclusions in the EIS/EIR are based on the analyses of potential environmental impacts of the proposed Project and the implementation assumptions stated in Section 4.1.7. However, the Applicant's safety and environmental record will be taken into account by decision-makers when they consider the proposed Project.

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Section 2.1 contains information on design criteria and specifications, final design requirements, and regulations governing the construction of the FSRU. The Cabrillo Port must be designed in accordance with applicable standards, and the U.S. Coast Guard has final approval. Section 4.2.4 contains information on Federal and State agency jurisdiction and cooperation. The Deepwater Port Act specifies regulations that all deepwater ports must meet; Section 4.2.7.3 contains information on design and safety standards for the deepwater port. Section 4.2.8.2 contains information on pipeline safety and inspections. Impact EJ-1 in Section 4.19.4 addresses additional pipeline design requirements in areas of low-income and minority communities. The EIS/EIR's analyses have been developed with consideration of these factors and regulations and in full conformance with the requirements of NEPA and the CEQA.

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1 They have said they will be bringing gas from
 2 Australia, but that's highly unlikely. Exxon, they're co-
 3 owner in the Scarborough Field, has consistently and
 4 publicly indicated that they do not intend to develop that
 5 field anytime soon.

6 More likely, the gas to Cabrillo Port will come
 7 from Indonesia, as the DEIR states. That means it will be
 8 hotter, it means more pollution and pipeline compatibility
 9 problems.

10 Finally, and this is really important, BHP
 11 Billiton will wholly own Cabrillo Port and only they will be
 12 able to use it to deliver gas to California.

13 At an oversight maximum regasification rate of up
 14 to 1.5 billion cubic feet per day, in a Southern California
 15 market that uses somewhere between 2.5 to 3 billion cubic
 16 feet per day, Cabrillo Port is not sized to be a small part
 17 of a diverse energy supply to be used only in times of need,
 18 it is supersized to dominate and control the natural gas
 19 market in California. A dominance that would last a minimum
 20 of 40 years, because the license, the life of the project
 21 they say is 40 years but, in fact, the license has no
 22 expiration date. Once granted, it continues.

23 At this point, I'm going to hand it over to the
 24 Environmental Defense Center and let them talk about the
 25 deficiencies in the document. Thank you.

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Thank you for the information.

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Sections 1.3 and 2.2.1 discuss potential sources of natural gas that would be imported for the proposed Project. Section 4.6.2 also contains information on the properties of the natural gas that would meet California's requirements for pipeline-quality gas.

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Section 1.0, "Introduction," has been updated to more clearly specify the throughput figures used in the environmental analysis. As stated, "Under normal operating conditions, the annual average throughput would be 800 million cubic feet per day; however, the Applicant has calculated that maximum operating scenarios would allow deliveries of up to 1.2 billion cubic feet per day, or the gas equivalent 1.5 billion cubic feet per day on an hourly basis for a maximum of six hours. These operating conditions would only be in effect if SoCalGas were to offer the Applicant the opportunity to provide additional gas in cases of supply interruption elsewhere in the SoCalGas system or extremely high power demand, for example, during hot summer days." In addition, applicable sections of the document have been updated similarly to clarify the throughput figures used in the analysis, including Sections 4.6, 4.7, 4.14, and 4.18.

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As discussed in Section 2.8.1, the FSRU could operate as long as it remains in compliance with Federal regulations and the conditions of the license.

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1 (Applause.)

2 MODERATOR GRANT: Karen Kraus.

3 MS. KRAUS: My name is Karen Kraus, I'm with the
4 Environmental Defense Center, I'm also a resident of Port
5 Hueneme.

6 My testimony tonight will focus on air quality
7 issues and, in particular, the project's impacts to onshore
8 smog levels.

9 Smog is one of the most significant air quality
10 problems confronting Ventura County. This is not a fear-
11 based factoid, it's just the truth. We have a small problem
12 and until we don't, our health and our children's health is
13 at risk.

14 The EIR estimates that the Cabrillo Port project
15 would generate 280 tons per year of smog-producing
16 pollutants. Our air quality expert has reviewed the EIR and
17 has concluded that this is likely an under-estimate of such
18 emissions.

19 In particular, the EIR contains serious flaws in
20 its estimate of emissions from marine vessels. For example,
21 although the LNG carriers will have engines of 60,000
22 horsepower, the assumption used to calculate the amount of
23 pollutants emitted by the carriers is based on tests of much
24 smaller engines. The largest of these engines, 4,200
25 horsepower.

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Thank you for the information. The Project has been modified since issuance of the March 2006 Revised Draft EIR. See Section 1.4.2 for a summary of Project changes. Section 4.6.1.3 contains revised information on Project emissions and proposed control measures. Section 4.6.4 discusses the health effects attributed to air pollutants and includes revised impacts and mitigation measures.

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Impact AIR-4 and Impact AIR-5 in Section 4.6.4 have been revised to provide specific information regarding the Applicant's emissions reduction programs and their review by the USEPA and the California Air Resources Board (CARB). As part of air permit-to-construct application procedures, the Applicant has committed to the USEPA to achieve emissions reductions (in addition to reductions inherent to the Project) to an amount equal to the FSRU's annual NO_x emissions. The Applicant has executed contracts to retrofit two marine vessels (long haul tugs) by replacing the propulsion engines of each vessel with modern low emitting engines (Tier 2 compliant diesel-fired engines). At the request of the USEPA and the CARB, the Applicant conducted source testing to assist in determining the emission reductions expected as a result of the retrofits. Both the USEPA and the CARB have reviewed the results, but there is not yet a consensus on the estimated emission reductions from the mitigation proposal.

Based on the USEPA's and CARB's estimates, the proposed Emissions Reduction Program (AM AIR-4a) would provide for NO_x emission reductions greater than the estimated annual NO_x emissions from FSRU equipment and estimated NO_x emissions from operation of LNG carrier offloading equipment. However, the total emission reductions would be less than the annual NO_x emissions estimated for all operations (FSRU and Project vessels) in California Coastal Waters, as defined by the CARB. According to CARB, the emission reduction proposal "represents more than what would otherwise be required by the current determination of applicable regulations."

Appendix G9 contains a memorandum from the CARB to the CSLC on this topic. Electronic copies of the Applicant's reports submitted to the USEPA that detail the tug retrofits and related emission reductions are available at www.epa.gov/region09/liq-natl-gas/cabrillo-air.html.

T004-141

The Project has been modified since issuance of the March 2006 Revised Draft EIR. See Section 1.4.2 for a summary of Project

changes. Section 4.6.1.3 contains revised information on Project emissions and proposed control measures. Section 4.6.4 contains revised information on Project impacts and mitigation measures. These revisions address the concurrent emission of ozone precursors from the FSRU and Project vessels.

1 Another flaw is that the emissions estimated from
 2 marine vessels only include emissions that would occur
 3 within 25 miles of the coastline. This happens to be the
 4 same range within which BHP has promised to use natural gas
 5 to power its vessels. Beyond 25 miles, though, BHP may be
 6 using primarily diesel fuel, and diesel fuel generates
 7 significantly higher smog-producing emissions.

8 But even if we set aside these flaws and simply
 9 accept the EIR on its face, the EIR, itself, concludes that
 10 offshore emissions would far exceed CEQA's significant
 11 thresholds for smog-producing pollutants.

12 For Ventura County, this threshold is 25 pounds
 13 per day.

14 According to the EIR, the total offshore emissions
 15 in this category would be 1,268 pounds per day, 50 times
 16 higher than the threshold.

17 These offshore emissions will, without question,
 18 blow onshore and contribute the onshore smog problem.
 19 Normally, the only way a project with such significant
 20 emissions could proceed is if the applicant obtained
 21 offsets.

22 Federal and State law require that project
 23 emissions be offset or mitigated by a ratio of 1.3 to 1, or
 24 greater, in Ventura County. This would insure that the
 25 County makes actual progress towards achieving air quality

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The analysis included emissions from marine vessels within 25 miles of the coastline based on consultation with the California Air Resources Board, "...For purposes of this project, ARB staff believes it is appropriate to mitigate the emissions from marine operations that occur within 25 nautical miles of the California mainland coastline. We believe this will address the majority of emissions from the proposed project and maximize the potential on-shore benefits." (Simeroth 2005, as referenced in Section 4.6.)

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T004-143

Impact AIR-4 and Impact AIR-5 in Section 4.6.4 have been revised to provide specific information regarding the Applicant's emissions reduction programs and their review by the USEPA and the California Air Resources Board (CARB). As part of air permit-to-construct application procedures, the Applicant has committed to the USEPA to achieve emissions reductions (in addition to reductions inherent to the Project) to an amount equal to the FSRU's annual NO_x emissions. The Applicant has executed contracts to retrofit two marine vessels (long haul tugs) by replacing the propulsion engines of each vessel with modern low emitting engines (Tier 2 compliant diesel-fired engines). At the request of the USEPA and the CARB, the Applicant conducted source testing to assist in determining the emission reductions expected as a result of the retrofits. Both the USEPA and the CARB have reviewed the results, but there is not yet a consensus on the estimated emission reductions from the mitigation proposal.

Based on the USEPA's and CARB's estimates, the proposed Emissions Reduction Program (AM AIR-4a) would provide for NO_x emission reductions greater than the estimated annual NO_x emissions from FSRU equipment and estimated NO_x emissions from operation of LNG carrier offloading equipment. However, the total emission reductions would be less than the annual NO_x emissions estimated for all operations (FSRU and Project vessels) in California Coastal Waters, as defined by the CARB. According to CARB, the emission reduction proposal "represents more than what would otherwise be required by the current determination of applicable regulations."

Appendix G9 contains a memorandum from the CARB to the CSLC on this topic. Electronic copies of the Applicant's reports submitted to the USEPA that detail the tug retrofits and related emission reductions are available at www.epa.gov/region09/liq-natl-gas/cabrillo-air.html.

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1 standards.

2 The mitigations identified in the EIR do not even
3 come close to achieving this required ratio.

4 I also wanted to say, quickly, yesterday BHP
5 announced a new set of emissions reductions. This was in a
6 press release. It was issued just a few hours before last
7 night's hearing. No supporting documentation was included,
8 so we really have no way to evaluate the accuracy or the
9 adequacy of the reductions. But it appears that the largest
10 reductions, they claim, are already assumed in the EIR.

11 If they're not, then this is significant new
12 information that must be made available to the public --

13 MODERATOR GRANT: Ms. Kraus, your time's up.

14 MS. KRAUS: -- and warrants recirculation of the
15 EIR. Thank you.

16 (Applause.)

17 MODERATOR GRANT: Amber Tyson. Please begin,
18 Ms. Tyson.

19 MS. TYSON: Hi, my name is Amber Tyson, I'm a law
20 clerk at the Environmental Defense Center in Santa Barbara,
21 and a law student.

22 The proposed Cabrillo Port LNG facility will have
23 significant adverse effects on our ocean's water quality.
24 The Port will use ocean water to cool five on board electric
25 generators, and then discharge this heated water back to the

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The lead agencies have reviewed the NEPA CEQ Guidelines and the State CEQA Guidelines concerning recirculation and have determined that the changes to the proposed Project and associated information that has been included in the document since the Revised Draft EIR was recirculated in March 2006 do not meet the criteria listed specifically in section 15088.5(a)(1-4) of the State CEQA Guidelines; therefore, the lead agencies believe recirculation is unwarranted.

T004-145

The Project has been modified since issuance of the March 2006 Revised Draft EIR. See Section 1.4.2 for a summary of Project changes. A closed loop tempered water cooling system, which recirculates water, would be used instead of a seawater cooling system, except during annual maintenance (four days for the closed loop tempered water cooling system, and four days for the Moss tanks when the inert gas generator [IGG] would be operating).

Because seawater would only be used as non-contact cooling water during these maintenance activities, the volume of seawater used would be greatly reduced. Seawater would also be used for ballast. Section 2.2.2.4 describes the proposed seawater uptakes and uses for the FSRU. Appendix D5 describes seawater intakes and discharges during Project operations, and Appendix D6 describes the closed loop water system and provides thermal plume modeling analysis of discharges from the backup seawater cooling system.

When either the backup seawater cooling system or the IGG are operating, the temperature of the discharged seawater would be elevated above ambient temperatures no more than 20°F at the point of discharge and would be 1.39°F at 300 m from the point of discharge during the worst case scenario. These thermal discharges would comply with the California Thermal Plan (see Sections 4.7.4 and 4.18.4 and Appendix D6).

Section 4.7.4 contains information on uptake volumes and potential impacts of seawater uptake and discharge on marine biota, including ichthyoplankton from intake of seawater, from thermal discharges of cooling water. The ichthyoplankton impact analysis (Appendix H1) includes both literature results and data from California Cooperative Oceanic Fisheries Investigations (CalCOFI)

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surveys. CalCOFI surveys have been consistently collected over a period of time and are the best scientific data currently available.

1 ocean.

2 According to the Revised Draft EIR, the proposed
3 facility will discharge 6.3 million gallons of this high
4 temperature waste water each day, which is 2.3 billion
5 gallons per year. These discharges will be about 30 degrees
6 Fahrenheit above the ambient ocean water temperature.

7 The EIR misleads the public by stating that these
8 thermal discharges are only slightly elevated. Moreover,
9 the EIR fails to disclose that these high temperature
10 discharges will violate both State and Federal environmental
11 laws.

12 First, the thermal discharges, 30 degrees
13 Fahrenheit above the natural ocean temperature, violates the
14 California thermal plan, which limits thermal discharges to
15 no more than 20 degrees Fahrenheit above natural
16 temperatures.

17 Second, these thermal discharges will violate the
18 U.S. EPA's ocean discharge criteria regulations. These
19 Federal regulations require the Agency to consider the
20 vulnerability of biological communities exposed to high
21 temperature discharges, including the effects of discharges
22 on endangered and threatened species, and the effects on
23 species critical to the food chain, such as plankton.

24 Plankton and fish eggs will be killed due to the
25 high temperature thermal discharges and this, in turn, may

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Continued

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1 decrease food availability for fish and marine mammals.
 2 Furthermore, the water quality section is also
 3 inadequate in several other respects. The EIR fails to
 4 explain how gray water would be treated prior to discharge
 5 into the ocean and does not describe the amount of gray
 6 water discharges, which contain contaminants, such as
 7 detergents, cleaners, oil, grease, metals, nutrients, and
 8 other pollutants.

9 The EIR downplays the negative impact on water
 10 quality from the release of drilling fluids along the 23-
 11 mile pipeline route, and fails to adequately explain
 12 measures to prevent the release of these drilling fluids.

13 The water quality section also completely fails to
 14 assess the significant impacts that will result from the
 15 increase in shipping traffic associated with the proposed
 16 project.

17 Numerous vessels will be used for construction of
 18 the mooring system and for pipeline installation. And for
 19 40 years or more there will be hundreds of tugboat transits
 20 and LNG carrier trips each year. Each and every one of
 21 these vessel trips increases the potential for significant
 22 degradation to water quality through discharges of
 23 petroleum, sewage, gray water, bilge water, and deck wash-
 24 down water and, therefore, these impacts must be addressed
 25 in the EIR.

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"Wastewater Treatment and Discharge" in Section 2.2.2.6 and Impact WAT-5a in Section 4.18.4 contain information on the amount of gray water that would be discharged from the FSRU in accordance with a facility-specific NPDES permit issued by the USEPA. Section 4.18.2 contains information on the regulations with which the Applicant would comply to treat, discharge, and/or dispose of wastes and wastewaters.

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Section 2.7 contains information on how the pipelines would be installed. Drilling fluids would only be used for the installation of the shore crossing, which is described in Section 2.6. Appendix D1 contains information the Drilling Fluid Release Monitoring Plan for the shore crossing.

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Section 2.1 contains information on the regulations that the LNG carriers must meet under Vessel Standards Certificates of Class including the International Convention for the Prevention of Pollution from Ships. Section 4.18.2 contains information on the regulations with which BHPB would comply to treat, discharge, and/or dispose of wastes and wastewaters. Section 4.18.4 contains additional information on this topic.

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As discussed in the draft NPDES permit and Table 4.18-8 of the Final EIS/EIR, "Section 403 of the CWA and the Ocean Discharge Criteria Regulations (40 CFR Part 125, Subpart M) are intended to "prevent unreasonable degradation of the marine environment and to authorize imposition of effluent limitations, including a prohibition of discharge, if necessary, to ensure this goal" (49 Fed. Reg. 65942, October 3, 1980)."

If the USEPA determines that a discharge will cause unreasonable degradation, an NPDES permit will not be issued. If a determination of unreasonable degradation cannot be made because of a lack of sufficient information, the USEPA must then determine whether a discharge will cause irreparable harm to the marine environment and whether there are reasonable alternatives to on-site disposal. To assess the probability of irreparable harm, the USEPA is required to make a determination that the discharger, operating under appropriate permit conditions, will not cause permanent and significant harm to the environment. If data gathered through monitoring indicate that continued discharge may cause

unreasonable degradation, the discharge must be halted or additional permit limitations established.

The USEPA has mandated as a component of the draft NPDES permit that cooling water discharges from the FSRU not exceed a maximum temperature of 20°F above ambient and that the maximum temperature increase at a distance 1000 feet from the point of discharge not exceed 4°F above ambient; therefore the USEPA has determined that meeting these requirements would be protective of biological communities. These requirements are consistent with the California Thermal Plan. The Applicant has modified the Project to ensure compliance with these requirements.

To date, USEPA has concluded that the Project "would not cause unreasonable degradation of the marine environment, and would comply with the Ocean Discharge Criteria Regulations."

1 The Port's massive discharges to our ocean for 40
2 plus years will not only degrade water quality --

3 MODERATOR GRANT: Ms. Tyson, your time is up.

4 MS. TYSON: Thank you.

5 (Applause.)

6 MR. POLEFKA: My name is Shiva Polefka and I'm a
7 marine science analyst for the Environmental Defense Center
8 in Santa Barbara.

9 With respect to our region's invaluable marine
10 wildlife, the Revised DEIR's impact analysis is
11 fundamentally deficient. Both the ongoing operations and
12 the stunning accident scenarios described in the report have
13 great implications for this region's biodiversity if the
14 DEIR ignores or underestimates them, relying instead on
15 generalities and assumptions.

16 Cabrillo Port will intake nearly 3.8 billion
17 gallons per year of seawater, primarily for cooling its
18 large electric generators. For comparison, this is
19 equivalent to about 45 tons of volume of Pasadena's Rose
20 Bowl. This is problematic because any zoo plankton, the
21 marine animals too small to avoid being caught in the intake
22 current, would suffer one hundred percent mortality every
23 day, over the 40-year life span of the project.

24 Zoo plankton is the foundation of the marine
25 ecosystem and is critical to commercial and recreational

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T004-149

Section 4.7.4 contains information on potential impacts on marine biological resources and mitigation measures to address such impacts.

T004-150

The Project has been modified since issuance of the March 2006 Revised Draft EIR. See Section 1.4.2 for a summary of Project changes. The previously proposed FSRU generator engine cooling system used seawater as the source of cooling water for the four generator engines. The Applicant now proposes using a closed tempered loop cooling system that circulates water from two of the eight submerged combustion vaporizers (SCVs) through the engine room and back to the SCVs, which reduces the seawater intake volume by about 60 percent. The seawater cooling system would remain in place to serve as a backup system during maintenance of the SCVs or when the inert gas generator is operating. Section 2.2.2.4 contains a description of the proposed uptakes and water uses for the FSRU.

T004-149

Section 4.7.4 contains information on uptake volumes and potential impacts of seawater uptake and discharge on marine biota, including ichthyoplankton from intake of seawater, from thermal discharges of cooling water. The ichthyoplankton impact analysis (Appendix H1) includes both literature results and data from California Cooperative Oceanic Fisheries Investigations (CalCOFI) surveys. CalCOFI surveys have been consistently collected over a period of time and are the best scientific data currently available.

T004-150

The CalCOFI database was used as the most appropriate and available specific source of current ichthyoplankton data for the site. While not specifically required, the lead agencies have caused several original studies, such as the ichthyoplankton analysis, to be prepared to enhance the analysis of the potential environmental impacts of the proposed Project. However, as provided by section 15204, State CEQA Guidelines, "CEQA does not require a lead agency to conduct every test or perform all research, study, and experimentation recommended or demanded by commentors."

Further, section 15125(a), State CEQA Guidelines, provides in part, "An EIR must include a description of the physical environmental conditions in the vicinity of the Project, as they exist at the time the notice of preparation is published..." (emphasis added). The information within the document meets and exceeds this requirement.

The 4.17 million gallons (15,785 m3) per day of seawater uptake,

which is a weighted average, proposed for the Cabrillo Port Project are significantly (orders of magnitude) lower than typical volumes used by other LNG or a power generation facility's cooling systems, both nearshore and offshore and 60 percent lower than the seawater uptake values presented in the March 2006 EIS/EIR. The results of the analysis indicate that the daily mortality for eggs would be approximately 42,704 eggs and 7,614 larvae per day, representing less than 0.00000019 percent of the 21,464,100,000,000 eggs and 3,824,100,000,000 larvae found within the Project site. Based on the small numbers of these species expected to be entrained in the seawater uptake systems, the impacts on these species would be less than significant (see Section 4.7 for further information on impacts on managed fish species).

The Ichthyoplankton Analysis is based on current and historical data and conditions within the identified quadrat and source water body. The analysis was conducted in the context of the environmental setting as defined in section 15125(a), State CEQA Guidelines, and conditions and in coordination and in consultation with local experts in the field of ichthyoplankton, hydrology, and fisheries with knowledge and expertise pertaining to the specific local conditions and dynamics of the area. The overall low density of zooplankton potentially entrained and the effort to conservatively assess the losses were based on comparisons to overall plankton standing stocks in the Southern California bight that could be susceptible to entrainment.

1 fisheries, to sea birds, and sea turtles, and to marine
2 mammals, meaning that the Cabrillo Port seawater intake will
3 harm the entire marine ecosystem.

4 But rather than acknowledging and discussing the
5 actual impacts Cabrillo Port will have, the DEIR tries to
6 downplay them. Arbitrarily and inappropriately, it compares
7 intake volume to the terminal to a proportionately huge area
8 of ocean and to coastal power plants that have higher rates
9 of intake.

10 These comparisons are irrelevant to the harm that
11 Cabrillo Port will cause and must be substituted for real
12 data on zoo plankton at the project's site.

13 The terminal's proposed annual discharge of 2.3
14 billion gallons of hot water waste also has serious
15 implications that are not sufficiently analyzed in the
16 Revised DEIR. U.S. EPA Water Quality Standards Handbook is
17 replete with information on how heat impacts marine
18 organisms, like fish and invertebrates, and disrupts
19 critical biological functions such as growth, reproduction
20 and immune response.

21 Because the proposed thermal discharge will be
22 persistent and alter the water quality of the project area
23 for the lifetime of the project, site-specific biological
24 surveys are, again, critical to accurately determine impacts
25 and develop appropriate mitigation measures.

T004-150
Continued

1 The report also contains a serious oversight with
2 respect to marine mammals, specifically, Blue and Humpbacked
3 Whales, both federally listed endangered species.

4 According to independent marine mammal expert,
5 Dr. John Calambokidis, the DEIR is finding that these two
6 species are "very unlikely" to occur in the project area is
7 simply incorrect.

8 Based on his research and personal observations,
9 he believes Blue Whale presence should, in fact, and I
10 quote, "be expected at the proposed project site."

11 The Revised DEIR acknowledges that area wildlife
12 will be subject to significant underwater noise, hazardous
13 waste discharge, collisions with LNG ship traffic, and even
14 freezing or burning to death in the event of spills or
15 fires, but it downplays these issues by claiming that the
16 animals won't likely be presently, baselessly, without any
17 real evidence.

18 In light of Dr. Calambokidis's direct
19 disagreement, the report is demonstrably insufficient in
20 this area. Again, site-specific biological surveys are of
21 central importance to developing an acceptable EIR. Until
22 then, it remains incomplete.

23 (Applause.)

24 MODERATOR GRANT: Alicia Roessler.

25 MS. ROESSLER: Good evening. My name is Alicia

T004-151

Section 4.7.4 contains revised text on potential impacts on marine biological resources, including marine mammals, and mitigation measures to address impacts.

T004-151

Sightings of both blue and humpback whales off the coast of California are summarized in Section 4.7 and presented in detail in surveys cited in Carretta et al. (2002 and 2005), which are used as sources for Section 4.7.

The closest sightings of humpback whales made during these surveys appear to be off San Nicolas Island and north of the Santa Cruz Passage, between Santa Cruz and Santa Rosa islands. Such sightings lie a considerable distance from the proposed FSRU site. The closest sighting to the proposed FSRU site for blue whales appears to have been made off the mainland coast east of Anacapa and west of Malibu, which is also a considerable distance from the proposed FSRU site.

The sighting data from numerous surveys indicate that the area near the FSRU site has not been favored by either species. This does not suggest that the presence of such species near the FSRU site is impossible, but rather that such whales are not likely to be encountered close enough to the FSRU site to be adversely affected. However, other areas that may include potential LNG carrier routes, as noted in Section 4.7, may be favored by these species.

T004-152

Section 4.7 contains updated stock assessments for marine mammals in the Project vicinity according to the latest available information from NOAA. In addition, marine mammal experts have been consulted regarding potential impacts and mitigation, and based upon their expertise, text in Section 4.7 has been clarified (see Appendix I).

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-152

1 Roessler and I'm a staff attorney for EDC.

2 My comments today will focus on several
3 deficiencies in the Revised Draft EIR's analysis of the
4 safety impacts.

5 When we testified before you in 2004, we revealed
6 that renowned LNG expert, Dr. Tom Spicer, concluded that the
7 Draft EIS/EIR severely under-estimated the consequences of
8 an LNG accident by as much as a factor of four, by using the
9 wrong model.

10 As a result, the 2004 EIS/EIR estimated that a
11 worst case scenario involving all three LNG storage tanks on
12 the port would result in serious injuries at a maximum
13 distance of just 1.6 miles. Coincidentally, this distance
14 was less than the BHP Billiton's proposed area to be avoided
15 of 2.3 miles, which is also the same distance from the port
16 to the shipping lanes.

17 Now, that the new EIR admits that a vapor cloud
18 fire, caused from an LNG release from just two of the three
19 LNG tanks would result in a fire that extends 7.3 miles
20 long, and could encompass the entire area of the shipping
21 lanes that serve the largest ports on the West Coast.

22 While we are pleased that the LNG spill distances
23 are now more accurately reflected, we are appalled that this
24 information has not changed any of the applicant's proposed
25 distances to protect the public's health and safety.

T004-153

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-154

T004-153

NEPA does not require "worst-case analysis" but does require the agency to prepare a summary of existing relevant and credible scientific evidence and an evaluation of adverse impacts based on generally accepted scientific approaches or research methods. However, the Independent Risk Assessment (IRA) (Appendix C1) defines and evaluates representative worst credible cases (scenarios of events that would lead to the most serious potential impacts on public safety). These included accidents that would affect one, two, or all three tanks of the FSRU.

T004-154

As shown in Tables 4.2-1, 4.2-2, 4.2-7, and 4.2-8, the release of the contents of all three tanks (the entire contents of the FSRU and an attending LNG carrier) is addressed in the escalation scenario associated with a large intentional event. Section 4.2.7.6 contains additional information on how intentional events are addressed. Although the 2006 U.S. Department of Energy's Sandia National Laboratories third-party technical review of the 2004 IRA found that the three-tank simultaneous release (a massive LNG release in a short time period) was not credible, Sandia recommended the consideration of a cascading (escalation) three-tank scenario.

T004-155

Sections 2.2.4, 4.3.1.4, and 4.3.4 address the size of the safety zone and Area to be Avoided (ATBA) around the FSRU, how they are established, and their potential impacts on marine traffic. According to Section 4.3.1.4, "the actual size of the ATBA would be determined through the advice and consent of the Office of Vessel Traffic Management of the USCG...The ATBA could not intrude on an established shipping lane available to vessel operators (public, commercial, and recreational vessels)." The safety zone could not be made larger because its size is governed by international law, to which the U.S. is a signatory.

T004-155

As discussed in Section 4.2.7.6, the IRA determined that the greatest distance from the FSRU within which public impacts would occur is 6.3 NM (7.3 miles or 11.7 km), which would result from the intentional breach of two Moss tanks. This hazard distance encompasses the shipping lanes but extends no closer than 5.71 NM from the nearest mainland landfall.

The hazard to the shipping lane would occur about 30 minutes after

the initiating event, which could allow for notification and response, such as moving away from the accident or sheltering in place and implementing fire response measures. The exposure time within the shipping lane would be for about another 30 minutes until the vapor cloud dispersion falls below the lower flammability limit. An average of three vessels would be exposed to this vapor cloud hazard based on marine traffic frequency estimates.

This scenario may overestimate the hazard, because even though the release of the two full tanks is assumed, this may not occur. In addition, Sandia's model showed a significantly smaller dispersion distance (about 7,000 m instead of roughly 11,000 m). Further, it is highly likely that if the LNG were released, it would result in a pool fire instead of vapor cloud dispersion or a vapor cloud (flash) fire. The robust structure of the Moss tanks and double-hulled FSRU, and the nature of the events that could produce this scenario (such as a deliberate attack with various types of weapons or aircraft) make it very likely that an ignition source would be present. Because an exceptionally large amount of force is needed to damage an LNG tank, and because the amount of energy required to breach containment is so large, in almost all cases a fire would result from this type of terrorist attack.

However, a conservative approach was taken and accordingly Impact MT-4 in Section 4.3.4 contains information on the impacts that an incident at the FSRU could have on marine traffic in the shipping lanes and, contrary to the comment, proposes the mitigation that would reduce potential impacts.

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If this were a land-based LNG facility, the safety exclusion zone would be based on the results of the consequence modeling. Whereas here, the EIR simply fails to mitigate the substantially increased safety impacts.

For example, the solution proposed in the EIR is that vessels could simply be notified that within 28 minutes a 7-mile-long fire would be coming their way. The EIR's suggestion that a supertanker could quickly steer around a fire that extends over seven miles long is ridiculous.

The EIR needs to consider feasible mitigation measures, such as moving the port at least 7.3 miles from the edge of the shipping lanes.

Additionally, in contrast to the 2004 EIS/EIR, this EIR fails to examine and model a spill scenario for a true worst case scenario event that would involve all three LNG storage tanks and, instead, models a two-tank worst credible scenario.

This is a breach of the commitment that the agency's made to the public. The risk zone from a true worst case scenario, involving all three LNG tanks, would likely extend even farther than the 7.3 miles predicted in the EIR. This information should not be withheld from the local community.

Finally, the EIR fails to disclose that BHP may not even be financially liable for the worst case scenario

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T004-156

T004-156

The Project is regulated by the USCG and MARAD under the authority of the Deepwater Port Act. FERC's regulations are prescriptive and standardized to address the general siting of onshore LNG terminals. In contrast, due to various different designs of deepwater ports, the USCG conducts site-specific independent risk and consequence analyses using the most recent guidance and modeling techniques. The guidance used for Cabrillo Port is Sandia National Laboratories' "Guidance on Risk Analysis and Safety Implications of a Large Liquefied Natural Gas (LNG) Spill Over Water." This report recommends a framework for analyses of large LNG spills onto water. It was prepared for the U.S. Department of Energy (DOE), and an external peer review panel evaluated the analyses, conclusions, and recommendations presented.

T004-157

T004-157

With respect to relocating the FSRU as mitigation, insufficient technical information is available to: (1) establish that such relocation is feasible within the meaning of section 15364 of the State CEQA Guidelines; or (2) determine pursuant to the requirements of section 15126.4(a)(1)(D) of the State CEQA Guidelines, whether such mitigation "...would cause one or more significant effects in addition to those that would be caused by the project as proposed..."

T004-158

Section 3.3.3 of the Independent Risk Assessment in Appendix C contains information on the estimated frequency of ship collisions. Section 4.3.4 of the EIS/EIR contains information on feasible mitigation.

T004-158

NEPA does not require "worst-case analysis" but does require the agency to prepare a summary of existing relevant and credible scientific evidence and an evaluation of adverse impacts based on generally accepted scientific approaches or research methods. However, the Independent Risk Assessment (IRA) (Appendix C1) defines and evaluates representative worst credible cases (scenarios of events that would lead to the most serious potential impacts on public safety). These included accidents that would affect one, two, or all three tanks of the FSRU.

T004-159

As shown in Tables 4.2-1, 4.2-2, 4.2-7, and 4.2-8, the release of the contents of all three tanks (the entire contents of the FSRU and an attending LNG carrier) is addressed in the escalation scenario associated with a large intentional event. Section 4.2.7.6 contains additional information on how intentional events are addressed.

Although the 2006 U.S. Department of Energy's Sandia National Laboratories third-party technical review of the 2004 IRA found that the three-tank simultaneous release (a massive LNG release in a short time period) was not credible, Sandia recommended the consideration of a cascading (escalation) three-tank scenario.

T004-159

Section 4.2.5 contains information on liability in case of an accident and reimbursement for local agencies.

Under Section 1503(c)(1) of the Deepwater Port Act, MARAD may issue a license if, among other requirements, it finds that the applicant is financially responsible and will meet the requirements of Section 1016 of the Oil Pollution Act of 1990.

Section 1.1.1 cites the provisions of the Deepwater Port Act (DWPA): "In connection with the proposed Project, MARAD must determine whether to issue the Deepwater Port license. In making this decision, MARAD must make a number of determinations, described in the DWPA at 33 U.S.C. 1503." Section 1.2.1 states, "To meet the objectives of the DWPA, the Secretary is directed to promote new DWPs that are financially responsible."

Section 2.8 states, "The Applicant would be responsible for the cost of decommissioning at the end of the Project, and as part of the license approval, the DWPA requires each applicant to furnish a bond or demonstrate other proof that if the project is abandoned, then sufficient monies would be available to the Federal government for either completion or demolition of the project."

Onshore components would be operated by SoCalGas. As stated in Section 4.2.5.1, "the applicable law for determining liability for personal injury, should an accident occur during construction and subsequent operation of these onshore facilities, is determined apart from the DWPA. In most, if not all instances, liability would be determined under the laws of the State of California, as would be the case with any accident involving a natural gas pipeline subject to regulation by the CPUC."

"To the extent that damages for personal injury can be attributable under California law as due to the ordinary negligence of SoCalGas, the resultant damage payments may be treated by the CPUC as the liable utility's cost of doing business. The costs necessary for covering that liability, whether directly or indirectly through payment of insurance premiums, would then be recovered through the utility's gas rates, and the availability of funds necessary to cover any such damages would therefore be assured.

Costs necessary to cover punitive damages or liabilities that arise from gross negligence or willful misconduct may not necessarily be passed on to ratepayers, as may be determined by the CPUC in its regulation of utility rates. In that event, funds necessary to cover such costs would come from the utility's own assets."

T004-159 Continued

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1 event involving a terrorist act, tsunami, or earthquake.

2 Thank you.

3 MODERATOR GRANT: Thank you. Linda Krop.

4 MS. KROP: Thank you. My name is Linda Krop, I am
5 Chief Counsel of the Environmental Defense Center.

6 Clearly, this project will have significant
7 impacts on our coast and communities. In response to public
8 input and contrary to representations by the applicant, the
9 Revised Draft EIR now admits that the project will result in
10 significant impacts to local air quality, coastal views, and
11 public safety.

12 However, as our speakers testified, the EIR still
13 ignores and understates many of the project's impacts. In
14 fact, with respect to air emissions, BHP is trying to exempt
15 this project from the legal mitigation requirements that
16 would apply to any other project.

17 Unfortunately, it is impossible to ascertain all
18 of the impacts of the project because the EIR still does not
19 state where the gas will come from or what fuel the tankers
20 will run on. Depending on where the gas comes from and
21 whether the tankers will run partially on diesel, the air
22 pollution impacts could be even greater.

23 These impacts will affect the air quality in
24 Ventura County, which already violates State and Federal
25 clean air standards.

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T004-159
Continued

T004-160

The EIS/EIR contains substantial mitigation to avoid or reduce potential significant impacts to a level below significance criteria.

The EIS/EIR identifies and assigns significance to all levels of impacts as required by NEPA. The EIS/EIR also identifies unavoidable significant (Class I) impacts. The Administrator of MARAD under the authority of the Deepwater Port Act, the California State Lands Commission, and the Governor of California have to balance the benefits of the Project against its unavoidable environmental risks. In accordance with section 15093 of the State CEQA Guidelines, the CSLC would have to make a Statement of Overriding Considerations addressing Class I impacts prior to approval of the proposed pipeline lease application.

The lead Federal and State agencies share the responsibility to ensure that mitigation measures are implemented. Table 6.1-1 in Chapter 6 is the basis for the Mitigation Monitoring Program, which would be implemented, consistent with section 15097(a) of the State CEQA Guidelines, to ensure that each mitigation measure is incorporated into Project design, construction, operation, and maintenance activities.

T004-160

T004-161

T004-161

The Project has been modified since issuance of the March 2006 Revised Draft EIR. See Section 1.4.2 for a summary of Project changes. The following Project changes would reduce emissions of nitrogen oxide and other air pollutants:

- Reduction in the number of LNG carriers and change in crew vessel trips;
- Use of natural gas to power LNG carriers in California Coastal Waters;
- Diesel-fueled support vessels with emission controls; and
- Use of specific engine standards for onshore construction equipment.

T004-163

T004-164

The Applicant has committed to implement the following additional measure to reduce air emissions:

- Repowering of existing non-Project vessels with cleaner-burning engines.

These changes required revisions to air pollutant emission estimates and related air quality analyses.

Section 4.6.1.3 contains revised information on Project emissions and proposed control measures. Section 4.6.4 contains revised

information on Project impacts and mitigation measures. These revisions address the concurrent emission of ozone precursors from the FSRU and Project vessels.

T004-162

Sections 1.3 and 2.2.1 discuss potential sources of natural gas that would be imported for the proposed Project.

As indicated in Section 4.6.2, the natural gas imported by the proposed Project would need to meet the requirements of Rule 30 and General Order 58-A of the California Public Utilities Commission (CPUC) or it could not be accepted for distribution by SoCalGas. Rule 30, as described, has specific requirements, including a heating value range.

Section 4.6.2 contains additional information on the regulatory setting affecting air quality and a revised discussion of the heating value of imported natural gas that incorporates the recent rulemaking by the CPUC. An analysis of the impacts of the CPUC rulemaking is beyond the scope of this document as required by NEPA and the CEQA.

T004-163

The Project has been modified since issuance of the March 2006 Revised Draft EIR. See Section 1.4.2 for a summary of Project changes. Tugs and crew vessels would have diesel engines equipped with air pollution control technology that would result in emissions comparable to emissions from natural gas-fueled engines.

T004-164

Table 4.6-2 contains information on Federal and State designations regarding attainment of air quality standards for Ventura County. Impact AIR-1 and AIR-2 contain information on emissions of criteria pollutants from construction activities in designated nonattainment areas. Impact AIR-4, AIR-5, and AIR-6 contain information on emissions of ozone precursors.

The Project has been modified since issuance of the March 2006 Revised Draft EIR. See Section 1.4.2 for a summary of Project changes. Section 4.6.1.3 contains a revised discussion of Project emissions and proposed control measures.

1 The EIR also fails to disclose the indirect
2 effects of the project, including those that will result
3 from producing the gas, liquefying it and transporting it
4 thousands of miles over seas and then regasifying it
5 offshore California. These activities will result in
6 additional air and water pollution, harm to marine wildlife,
7 and even global warming.

8 Scientists around the world are in agreement that
9 global warming has emerged as one of the primary threats, if
10 not the primary threat to our environment and our future,
11 and we may be nearing the point of no return.

12 Our State and Country must do everything we can to
13 reverse this trend. We must reduce green house gas
14 emissions, not increase them. Importing LNG, a fossil fuel,
15 will result in increased warming impacts above and beyond
16 using domestic gas, which does not have to be liquified,
17 transported, or regasified.

18 Fortunately, we do not need to import at LNG.
19 Contrary to the statements in the EIR, clean alternatives,
20 such as energy conservation, efficiency, and renewable
21 supplies can provide over three times the amount of energy
22 that would be supplied by this project.

23 Unfortunately, the EIR does not analyze these
24 alternatives and rejects them outright, stating that they
25 will occur with or without LNG. However, that's not true.

T004-165

T004-165

Executive Order 12114, Environmental Effects Abroad of Major Federal Actions, requires Federal agencies to consider the potential environmental effects of major Federal actions that could significantly affect the global commons outside the jurisdiction of any nation. Executive Order 12114 is not applicable to the extraction and development of natural gas in foreign countries.

An evaluation of the Project's environmental effects abroad must also be viewed within the context of section 15040 of the State CEQA Guidelines, which specifically defines and correspondingly limits the authority provided to State and local agencies under the CEQA.

T004-166

The Applicant has stated that the source of the natural gas for this Project would be either Australia, Malaysia, or Indonesia. As these countries are sovereign nations, the Applicant would be required to comply with those countries' applicable environmental laws and regulations pertaining to the extraction and development of natural gas fields as well as those pertaining to the liquefaction and transfer of LNG to LNG carriers. Consideration of the Applicant's compliance with a foreign nation's applicable laws and regulations is beyond the scope of this EIS/EIR.

T004-167

T004-168

The Applicant has indicated that the Scarborough natural gas field in the state of Western Australia could be a potential source of natural gas for the Project. In May 2005, the Honourable Ian Macfarlane, the Australian Federal Minister for Industry, Tourism and Resources, stated, "Development of the Scarborough Field and related support facilities must be carried out in accordance with applicable laws and regulations of both the Australian Government (federal) and the State Government in Western Australia. Any activities will be subject to assessment and approvals under the applicable environmental legislative regimes. These include, among others, the Commonwealth Environment Protection and Biodiversity Conservation (EPBC) Act 1999, governing matters of national environmental significance, and, under State legislation, the Western Australian Environmental Protection Act 1986. The objectives of the Commonwealth's environmental regulatory regimes are to provide for the protection of the environment and ensure that any petroleum activity is carried out in a way that is consistent with the principles of ecologically sustainable development." (Appendix L contains a copy of this letter.)

Section 1.3 has been revised to include information on Indonesian and Malaysian environmental requirements that would regulate impacts related to producing and exporting natural gas. All three

countries have existing LNG liquefaction facilities.

T004-166

As stated in Section 4.6.4, in addition to regulated air pollutants, the Project would generate emissions of the greenhouse gases CO₂ and methane (natural gas). The CO₂ emission coefficient for natural gas is 117. Coal (approximately 78 percent carbon) and oil (approximately 85 percent carbon) have higher carbon contents (more pounds of carbon per MMBtu) than natural gas (approximately 75 percent carbon), which leads to greater carbon emissions when combusted (more tons of CO₂ per megawatt hour produced). For comparison, the CO₂ emission coefficient for No.2 fuel oil and anthracite coal are 161, and 227 pounds of CO₂ per MMBtu, respectively.

If the proposed Cabrillo Port Project is not approved, SoCalGas may obtain its gas from elsewhere in North America. In this scenario, the combustion would occur anyway, i.e., would be in the baseline scenario. In the absence of the Cabrillo Port Project, it is also highly unlikely that the natural gas would be left in the ground in Western Australia; it would likely be extracted, liquefied, transported, and sold elsewhere. For the proposed Cabrillo Port Project, the additional life cycle emissions that can be attributed specifically to the Project would be only the portion of those emissions that would be generated by transporting the LNG across the Pacific Ocean to the Cabrillo Port facility. If the LNG were imported into a different receiving facility in California, the GHG emissions would be the same as those of the proposed Project.

T004-167

As indicated in Section 4.10.1.3, California Energy Action Plan, "To offset some of the demand for natural gas, California is increasing its energy conservation programs, will retire less efficient power plants, and is diversifying its fuel mix by accelerating the Renewables Portfolio Standard. However, according to the State's 2005 Energy Action Plan, 'California must also promote infrastructure enhancements, such as additional pipeline and storage capacity, and diversify supply sources to include liquefied natural gas (LNG)' (CEC and CPUC 2005)." Contrary to the comment, the CEC has studied whether California needs to import LNG to meet its energy needs and concludes, as indicated above, that it does.

As also discussed in Section 4.10.1.3, the CPUC recently reaffirmed that both the State's Integrated Energy Policy Report and Energy Action Plan recognize the need for additional natural gas supplies from LNG terminals on the West Coast: "However,

even with strong demand reduction efforts and our goal of 20% renewables for electric generation by 2010, demand for natural gas in California is expected to roughly remain the same, rather than decrease, over the next 10 years. This is because, a substantial portion of the other 80% of electric generation (not met by renewable energy sources) will need natural gas as its fuel source, and natural gas will still be needed for the growing number of residential and business customers of the natural gas utilities."

T004-168

Sections 1.2.2, 1.2.3, 1.2.4, 3.3.1, 3.3.2, and 4.10.1.3 contain information on the need for natural gas, the role and status of energy conservation and renewable energy sources, and the California Energy Action Plan. Sections 3.3.1 and 3.3.2 address conservation and renewable energy sources, within the context of the California Energy Commission's 2005 Integrated Energy Report and other State and Federal energy reports, as alternatives to the Project.

T004-168 Continued

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1 Making a commitment to import LNG is a commitment to a
 2 polluting source of energy that will actually interfere with
 3 our State's ability to meet its long-standing goals for
 4 renewable energy and its newly stated goals for reducing
 5 greenhouse gas emissions.

6 The EIR also fails to consider alternatives, such
 7 as other natural gas production within the United States.

8 The EIR fails to acknowledge that our Nation's gas reserves
 9 are at an all-time high and that the oil and gas industry is
 10 actually manipulating supply in order to increase profits.

11 Finally, the EIR fails to compare this proposal to
 12 any of the other currently proposed LNG projects that could
 13 bring gas to California, or to alternative technologies,
 14 such as the energy bridge, which would reduce safety risks
 15 and visual impacts.

16 Because the EIR merely limits the scope of
 17 alternatives, in violation of both CEQA and NEPA, it ties
 18 the hands of the agencies so that they are left with no real
 19 options, other than the proposed project.

20 MODERATOR GRANT: Ms. Krop, your time is up.

21 MS. KROP: Thank you.

22 MODERATOR GRANT: The next group of speakers. Tam
 23 Hunt, Shannon McComb, Robert Mendoza, Jim McComb, Bruce
 24 Markovich, Patricia Munro.

25 Tam Hunt?

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T004-168
Continued

T004-169

Section 3.3.5 discusses Northern Baja Mexico LNG Terminals. LNG terminals that could be built in U.S. and whose formal applications have been accepted by regulators are discussed in Section 4.20. Each will be evaluated in a separate EIS or EIR and could be licensed and could operate simultaneously with Cabrillo Port. None of the proposed LNG facilities on the West Coast has been approved.

T004-170

Section 3.3.8.3 discusses this technology.

T004-171

Both NEPA and the CEQA require the consideration of alternatives to a proposed project. A lead agency's lack of jurisdiction over a potential alternative is one factor that it may consider in determining if a potential alternative is feasible, reasonable, and merits detailed study in an EIS/EIR. Whether a potential alternative is purely hypothetical or speculative, or whether the potential alternative can be accomplished in a successful manner in a reasonable period of time are additional factors the lead agency may consider in assessing the feasibility and reasonability of the potential alternative.

T004-169

T004-170

T004-171

From a NEPA perspective, while a Federal agency must analyze "a range of reasonable alternatives" (as opposed to any and all possible alternatives), and may be required to analyze an alternative that is outside the capability of an applicant and that is outside the jurisdiction of the agency, the threshold question in determining whether to analyze any alternative is whether that alternative would be a "reasonable" alternative. Reasonable alternatives include those that are practical and feasible from the technical and economic standpoint and using common sense (CEQ 40 Questions; #2a).

To provide for an effective "hard look" at the alternatives the agency must limit the range to those alternatives that will best serve the environmental review process, and not needlessly examine and discuss in depth remote or speculative alternatives that that discussion does not facilitate a better decision making process. As stated in 40 CFR 1502.14(a), the EIS should "rigorously explore and objectively evaluate all reasonable alternatives, and for alternatives which were eliminated from detailed study, briefly discuss the reasons for their having been eliminated."

Section 15126.6(a) of the State CEQA Guidelines states, in part, "[t]he Lead Agency is responsible for selecting a range of project alternatives for examination and must publicly disclose its reasoning for selecting those alternatives." The California Supreme Court in the Citizens of Goleta Valley case recognized that while an agency's jurisdiction was only one factor to consider, "[t]he law does not require in-depth review of alternatives that cannot be realistically considered and successfully accomplished." In addition, the discussion in section 15364 in the State CEQA Guidelines states that "[t]he lack of legal powers of an agency to use in imposing an alternative or mitigation measure may be as great a limitation as any economic, environmental, social, or technological factor."

Chapter 3 discusses energy conservation, efficiency, and renewable sources of energy, and explains why these potential alternatives were not studied in detail in the EIS/EIR. The range of alternatives studied in detail is reasonable and conforms to NEPA and the CEQA requirements.

1 UNIDENTIFIED SPEAKER: Hi, Tam had to leave.
 2 He'll be submitting written comments. He's with the
 3 Community Environmental Council, and they've recently
 4 published a report that shows that alternatives, like energy
 5 conservation efficiency and renewables will provide more
 6 energy than this LNG project.

7 MODERATOR GRANT: Okay, great, we'll take his
 8 written report.

9 Shannon McComb?

10 MS. MC COMB: Hi, I'm Shannon McComb, and I'm 11,
 11 and I have lived in Oxnard for every since I was one month
 12 old. So I came here today to tell you that my parents have
 13 grown up, and they've become people, and they've had jobs,
 14 and they've been somebody. And if this goes in, and it
 15 blows up, I might not be here today and later on. So I'm
 16 just trying to say that this isn't good for Ventura County
 17 or Oxnard because, I mean, we have enough natural gas and we
 18 don't need anymore right now. And we're doing just fine.
 19 So I think we don't need this. Thank you.

20 (Applause.)

21 MODERATOR GRANT: Thank you, Shannon.

22 Robert Mendoza.

23 MR. MENDOZA: My name is Robert Mendoza, I'm a
 24 native of Oxnard, California. I'm going to go over some
 25 erroneous events from LNG facilities.

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T004-172

Thank you for the information. The comment letter from Tam Hunt and responses to the comments are included in this document as 2006 Comment Letter G012.

T004-172

T004-173

Section 4.2 and Appendix C contain information on public safety. Sections 1.2.2 and 1.2.3 contain information on natural gas needs in the U.S. and California. Forecast information has been obtained from the U.S. Department of Energy's Energy Information Agency and from the California Energy Commission.

T004-174

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-173

T004-174

1 In the year 1944 the first onshore LNG facility in
 2 America had a major accident that incinerated one square
 3 mile of Cleveland, Ohio, killing 128 people, leaving 680
 4 homeless.

5 More recently, an LNG installation in Toulouse,
 6 France, exploded on September 21st, 2001, killing 30 and
 7 injuring more than 4,900.

8 December 23rd, 2003, the natural gas explosion at
 9 Chianking, China, killed 234 and injured about 500.

10 January 19th, 2004, LNG accident in Algeria killed
 11 27 and seriously injured 72.

12 July 30th, 2004, natural gas explosion in Belgium
 13 killed 23 and injured more than 120.

14 These recent events are not highlighted on BHP
 15 Billiton mailed literature. Any company that does not come
 16 clean, up front, about their erroneous history will most
 17 likely continue their dishonesty in the future. There are
 18 no offshore LNG importation facilities anywhere on earth and
 19 Oxnard will not be the first to harbor trial and error.

20 (Applause.)

21 MODERATOR GRANT: Please continue.

22 MR. MENDOZA: I will not tolerate living with
 23 active danger, not only from operations of LNG, but from the
 24 threat of terrorism inflicted by a cult, fraternal orders
 25 which can use this proposed facility as a conduit for an

T004-175

Appendix C3-1 contains a chronological list of representative LNG accidents that were considered during preparation of the Independent Risk Assessment. Section 4.2.8.1 contains information on natural gas pipeline incidents.

T004-175

T004-176

Section 2.1 contains information on design criteria and specifications, final design requirements, and regulations governing the construction of the FSRU. The Cabrillo Port must be designed in accordance with applicable standards, and the U.S. Coast Guard has final approval. Section 4.2.4 contains information on Federal and State agency jurisdiction and cooperation. The Deepwater Port Act specifies regulations that all deepwater ports must meet; Section 4.2.7.3 contains information on design and safety standards for the deepwater port. Section 4.2.8.2 contains information on pipeline safety and inspections. Impact EJ-1 in Section 4.19.4 addresses additional pipeline design requirements in areas of low-income and minority communities. The EIS/EIR's analyses have been developed with consideration of these factors and regulations and in full conformance with the requirements of NEPA and the CEQA.

T004-177

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-176

T004-178

Table 4.2-2 and Sections 4.2.6.1 and 4.2.7.6 contain information on the threat of terrorist attacks.

T004-177

T004-178

97

1 orchestrated attack to further their global agenda.

2 BHP Billiton, you are not welcome here.

3 (Applause.)

4 MODERATOR GRANT: Jim McComb. Jim McComb, please
5 come forward.

6 MR. MC COMB: Hello, I'm Jim McComb, I'm a
7 resident of Oxnard. I moved here about 11 years ago, right
8 after the birth of my daughter, who you just recently met.

9 I was checking the air quality, to see what the
10 air quality was here, because I was moving from Los Angeles,
11 and I was like why do I want to raise a kid in a place that
12 has dirty air. The air quality was the best in the region
13 here. But we're talking about putting 270 tons of
14 pollutions every year, and the first two to three years
15 we're talking, and nobody's even saying this, 670 tons.
16 That's over triple what the regular is going to be.

17 I don't think this is something we should do. I
18 mean, we've talked a little bit about the mammals that are
19 here, but I don't know if you've been out and whale watched,
20 recently, but you know what, you see the whales migrating,
21 they're migrating right along a canyon, right where this is
22 going to be. They come up here every year and they're
23 already almost extinct.

24 They talked about, well, there's not going to be
25 any other mammals there. You know what, there's large pods

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T004-179

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-179

T004-180

The Project has been modified since issuance of the March 2006 Revised Draft EIR. See Section 1.4.2 for a summary of Project changes. Section 4.6.1.3 contains revised information on Project emissions and proposed control measures. Section 4.6.4 discusses the health effects attributed to air pollutants and includes revised impacts and mitigation measures.

T004-181

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-180

T004-182

Section 4.7.4 contains information on potential impacts on marine biological resources and mitigation measures to address such impacts.

T004-181

T004-182

T004-182 Continued

98

1 of dolphins out there, 5,000, 10,000 dolphins. And you know
 2 what they like to do? Hey, when there's a ship going by,
 3 they like to get in the wake and surf on it. You know,
 4 there's going to be mammals around there all the time and
 5 we're not talking about the seals or anything else, and we
 6 know the liquid natural gas is a minus 260 degrees. Hey,
 7 it's just going to be like in terminator, they're going to
 8 touch it and they'll freeze, and their fins are going to
 9 fall off. We don't want that, we don't want that at all.

10 BHP Billiton is just trying to get here, bring in
 11 money.

12 What we really need to focus on is the question of
 13 do we need this energy and, if so, we should be doing
 14 renewable energy, such as solar. Solar's what we need to be
 15 doing, not buying more gas from the heroin dealers.

16 I mean, you saw on the news today that gas prices
 17 in New York were \$4.50 a gallon. The same thing is going to
 18 happen with the manipulation of prices here. It's not going
 19 to change. And BHP Billiton is going to be the only source
 20 and we're not going to get any of the gas here, in Oxnard,
 21 it's not going to happen. It's going to go into the
 22 pipelines, it's going to go up into storage somewhere else.
 23 Oxnard is not even going to get it, it's not going to
 24 produce very many jobs at all, just a handful of jobs.

25 I think, since I only have a minute left, there's

T004-182
Continued

T004-183

Sections 1.2.2, 1.2.3, 1.2.4, 3.3.1, 3.3.2, and 4.10.1.3 contain information on the need for natural gas, the role and status of energy conservation and renewable energy sources, and the California Energy Action Plan. Sections 3.3.1 and 3.3.2 address conservation and renewable energy sources, within the context of the California Energy Commission's 2005 Integrated Energy Report and other State and Federal energy reports, as alternatives to the Project.

T004-184

The revised Section 1.2 contains additional information on the purpose, need, and objectives of the proposed Project.

T004-183

T004-184

99

1 two things that we need to know, that you probably don't
 2 know. The tickets for 911 were bought in Angora, which is
 3 about 50 miles from here. One of the terrorists worked at
 4 the West Lake Hyatt, which is like maybe 45 miles from here.
 5 Do you think they have any friends in the area?

6 When you fly over the ocean, you know, over the
 7 land, you have to fly 500 feet. At the ocean you can fly
 8 all the way down to sea level.

9 I'm going to take the rest of my time in silence
 10 for all the people that have died with LNG, with the promise
 11 of, oh, it's safe. And then I want you to answer one
 12 question in this report, how many people or mammal death are
 13 acceptable?

14 (Moment of silence.)

15 MODERATOR GRANT: Your time is up. Bruce
 16 Markovich.

17 (Applause.)

18 MR. MARKOVICH: My name is Bruce Markovich, I'm a
 19 homeowner here, in Oxnard. And from the point of view of an
 20 average citizen, I think two major things are apparent to
 21 me, one of which is you have an entire issue here of energy
 22 policy should LNG be imported to the United States, should
 23 it be imported to California, and that's been very
 24 eloquently and precisely addressed by many people prior to
 25 me here.

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T004-185

Thank you for the information.

T004-186

T004-185

Table 4.2-2 and Sections 4.2.6.1 and 4.2.7.6 contain information on the threat of terrorist attacks.

T004-187

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-186

T004-188

Section 1.2.1 contains information on the responsibilities of the California Energy Commission (CEC) and California Public Utilities Commission (CPUC) to "carry out their respective energy-related duties based upon information and analyses contained in a biennial integrated energy policy report adopted by the CEC." Section 1.2.1 also describes the public process that is used to develop the Integrated Energy Policy Reports to ensure that California's energy-related interests and needs are met.

T004-187

Sections 1.2.2 and 1.2.3 contain information on natural gas needs in the U.S. and California. Forecast information has been obtained from the U.S. Department of Energy's Energy Information Agency and from the California Energy Commission. Section 1.2 discusses dependence on foreign energy sources.

Section 1.5 contains information on opportunities for public comment. After the MARAD final license hearing, the public will have 45 days to comment on the Final EIS/EIR and the license application. The Federal and State agencies will have an additional 45 days to provide comments to the MARAD Administrator. The Administrator must issue the Record of Decision within 90 days after the final license hearing. The CSLC will hold one or more hearings to certify the EIR and make the decision whether to grant a lease. The California Coastal Commission will also hold a hearing. Comments received will be evaluated before any final decision is made regarding the proposed Project.

T004-188

T004-188 Continued

100

1 So that's something that, in my opinion, has not
2 been adequately debated in any public forum and needs to be,
3 whether it's commissions, or the State Legislature, or local
4 governments, that needs more debate.

5 But it's clear to me that based on the impacts and
6 hazards that are unmitigated and probably unmitigatable, as
7 expressed in this EIR, that you should disapprove this
8 project, and all similar projects, both in Oxnard, in
9 Ventura County, in Southern California, possibly in all of
10 California, and possibly in the United States. Thank you.

11 (Applause.)

12 MODERATOR GRANT: Thank you. Patricia Munro.

13 MS. MUNRO: Hi, my name is Patricia Munro and I
14 live in Oxnard and have lived in Oxnard for a long time.
15 And I've decided to talk about something that's a little bit
16 obscure and that would be the inadequacy of the growth-
17 inducing impact, which was basically ignored. And I noticed
18 that because the word "likely" appears in this document
19 about 50 times. "Likely" is a very scary word because what
20 does it really mean.

21 So I have two points that start with that. The
22 claim that Cabrillo Port is the sole supplier of natural gas
23 in the region is not true.

24 That liquified natural gas will not likely produce
25 growth, I don't believe that is true at all. I believe what

T004-188
Continued

T004-189

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-190

Section 5.5 discusses the potential growth-inducing impacts of the proposed Project.

T004-189

T004-191

As discussed in Section 1.0, BHPB would "deliver an annual average of 800 million cubic feet per day (mmcf) to SoCalGas." Section 1.2.3 contains information on natural gas supply to California.

T004-192

Section 5.5 discusses the potential growth-inducing impacts of the proposed Project.

T004-190

T004-191

T004-192

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1 will happen, with the glut of natural gas, it will be
2 possible to build in areas that are geographically marginal.
3 That would be out in the deserts, out in areas where they
4 would need to have more air conditioning or heating units to
5 use up this extra gas that we're all of the sudden going to
6 have.

7 And then what's going to happen and, of course,
8 I'm thinking about myself, natural gas is not finite, it
9 will go away, it will be sold elsewhere, and who's going to
10 pay for all of those homes that need that air conditioning,
11 that were built in those marginal areas?

12 It will be us. It will be us that are already
13 here living and, you know, all of the new people, too, but
14 it will be spread out, they always spread the cost out among
15 everybody. And I think that that hasn't been looked at, at
16 all, and it will impact us negatively.

17 Let's see. We will see higher rates because there
18 is no limit on the cost. So I, like everybody else that
19 have spoken, have said let's use renewable resources. And
20 once you get the cheap and easy natural gas, nobody's going
21 to want to look at something that's more difficult. And I
22 just don't think the easy way out is the best way and that
23 we should go in the path that California has been going.

24 And as you probably heard from an earlier speaker,
25 who's a builder, he's already thought of this, there's going

T004-193

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-193

T004-194

Sections 1.2.2, 1.2.3, 1.2.4, 3.3.1, 3.3.2, and 4.10.1.3 contain information on the need for natural gas, the role and status of energy conservation and renewable energy sources, and the California Energy Action Plan.

T004-194

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1 to be more building, more houses, more people, and these
 2 marginal areas will have more development, and this is a
 3 growth-inducing impact and it has not been analyzed at all.
 4 Thank you.

5 (Applause.)

6 MODERATOR GRANT: Thank you. The hour being nine
 7 o'clock, and that our Panel's been sitting this whole time,
 8 we are going to take a five-minute break. We will continue
 9 the public comments after that. The meeting was scheduled
 10 to end at 9:30. We will not end at 9:30, we will continue
 11 beyond that time.

12 (Off the record for a break.)

13 MODERATOR GRANT: Let's get going, we have quite a
 14 few to get through. If we can get seated, get your
 15 attention, please, so we can get started?

16 Our next group of speakers will be Mark Graves,
 17 Dineane Sperske, Dr. Jay McPhearson, Baltozar Luna, and
 18 Chuck Bauman.

19 Again, the first speaker will be Mark Graves,
 20 followed by Dineane Sperske, Dr. Jay McPhearson, Baltozar
 21 Luna, and Chuck Bauman.

22 One moment, Mr. Graves, I'm waiting for the Panel.

23 Again, if you'd like to speak, please fill a
 24 yellow card out at the front desk.

25 All right, we're ready, Mr. Graves.

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T004-195

T004-195

Section 1.2.3 contains information on natural gas needs in California. Forecast information has been obtained from the California Energy Commission. This section also includes information on the use of natural gas in the state. As discussed, electricity generation and industrial users are the largest consumers and the use of natural gas to generate electricity is largely responsible for the projected increased demand for natural gas. Section 5.5 discusses the potential growth-inducing impacts of the proposed Project.

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1 MARK GRAVES: Hi, my name is Mark Graves. I came
2 out here to California, first, in the 1960s, I'm a Marine
3 Corp Vietnam Vet, came out then. I'm also a father.

4 I started flying and sailing 40 years ago, back
5 then, and I've been heavily involved in boating safety
6 stuff, produced my own national TV show on the Learning
7 Channel for three years, on boating safety. I've headed up
8 several boater's organizations here, locally.

9 You might not realize this, but there are 25,000,
10 almost 25,000 registered boats in Ventura County, alone.
11 Not Santa Barbara or anywhere else. These exclude the boats
12 that do not have a CF number, meaning they don't have an
13 engine. All the kayaks, the dinghies, the small sailboats,
14 so there's probably 50,000 boats here. That's a lot of
15 people that use this ocean out here.

16 The main thing I want to talk to you about,
17 though, relates that, but from a safety issue. Terrorism is
18 the number one thing going on in our world and our country
19 right now, and it amazes me. Any Environmental Impact
20 Report, now, should have a -- if you have an explosion,
21 you're going to have an EIP, Environmental Impact Problem.

22 And I think that you have to either have some sort
23 of, instead of just the Coastal Commission, and the EIR,
24 they should have a terrorism assessment report done.

25 Now, it could combine two things. What are just

T004-196

Thank you for the information.

T004-197

Table 4.2-2 and Sections 4.2.6.1 and 4.2.7.6 contain information on the threat of terrorist attacks.

T004-198

Section 2.2 in the Independent Risk Assessment (IRA) (see Appendix C1) contains information on the security vulnerability assessment done for the proposed Project. Appendix A of the IRA contains information on the Hazard Identification Study. Appendix C3-2 contains information on marine safety and security requirements.

T004-196

T004-197

T004-198

T004-198 Continued

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1 the normal dangers if something goes wrong? You know,
2 what's going to blow up because a fitting let loose?

3 But you should look at the worst case scenario,
4 where terrorists deliberately plan something out. This
5 pipeline is on all the charts, exactly where it's at. Any
6 hand-held little GPS, and a terrorist in a fishing boat can
7 go anywhere along that pipeline and blow it up or disrupt
8 it.

9 But if they want to plan something really nice,
10 they can fly a plane into the platform when there are ships
11 there fully loaded, or something, you know, a rocket,
12 whatever. You know, that's what the terrorism assessment
13 report should contain, what is the threat and danger.

14 And if it's assumed that this danger is too high
15 of a risk to deal with, then where can we move it where it's
16 remote enough to where it's not going to bother anything.
17 And if that doesn't work, then do a report on how can we
18 bring LNG to shore in a different fashion? Put it in
19 smaller containers, you know, I don't know what the answer
20 would be, but this should be looked into, other options to
21 bring this to shore.

22 My personal feelings are this, on my boat I had
23 solar panels that gave me all the electricity I needed. My
24 decelinator ran off that electricity, so I produced my own
25 drinking water. I could heat water with solar. It was

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T004-198
Continued

T004-199

The Independent Risk Assessment (IRA), which was independently reviewed by the U.S. Department of Energy's Sandia National Laboratories, evaluates the consequences of a potential vapor cloud (flash) fire, as discussed in Section 4.2.7.6 and the IRA (Appendix C1). The IRA determined that the consequences of the worst credible accident involving a vapor cloud fire would be more than 5.7 NM from shore at the closest point, as summarized in Table 4.2-1. Figure 2.1-2, Consequence Distances Surrounding the FSRU Location for Worst Credible Events, depicts the maximum distance from the FSRU in any direction that could be affected in the event of an accident. The shape and direction of the affected area within the circle depicted in Figure 2.1-2 would depend on wind conditions and would be more like a cone than a circle, but would not reach the shoreline.

T004-200

Thank you for the information.

T004-199

T004-200

T004-200 Continued

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1 totally self contained. In the future --

2 MODERATOR GRANT: Mr. Graves, your time's up.

3 MR. GRAVES: -- I wish everyone would go down that
4 road.

5 (Applause.)

6 MODERATOR GRANT: Dineane Sperske.

7 MS. SPERSKE: My name is Dineane Sperske. Since I
8 started reading this in 2004, this report has gotten bigger,
9 but not better.

10 Some people might think their job is to make a
11 better report. If so, they missed the point of making a
12 better world.

13 Between the geography, economy, and political
14 mechanics, the energy maquiladors are targeting Oxnard as
15 the place to turn California into a doormat, where they
16 arrive, they run over us and through us, wipes their feet on
17 the California doormat, leaving their pollution here, as
18 they transport their product onto consumers in the western
19 region.

20 This is unacceptable in the face of recognizing
21 that the end of the oil age has arrived.

22 This is a list of local, State, Federal agencies
23 that require permits, showing there are over a dozen
24 opportunities along the way to stop going in the wrong
25 direction.

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T004-200
Continued

T004-201

T004-201

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T004-202

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1 However, the Environmental Protection Agency has
2 chosen to absolve BHP of the legal obligation to offset its
3 project emissions, the 280 tons of smog-producing pollutants
4 a year.

5 In a series of articles done by the Star awhile
6 ago, about LNG, one of the stories was about Everett,
7 Massachusetts, a town that has an LNG facility. The people
8 there live with fuel storage facilities, power plants, body
9 shops, factories, scrap metal industry, and a retired man,
10 who lived there for years, was quoted as saying, "it don't
11 bother me, however, his wife worries and at times so does
12 one of his sons," as mentioned in the article.

13 This depiction of an image of industrial sprawl,
14 declining neighborhoods, limitations, and the pervasive
15 atmosphere of overhanging fear is something that could
16 happen here to our comparatively clean and beautiful area.

17 In contrast, and to show what we need to be doing
18 instead, I'll quote now from the California Education Code,
19 Section 8704, "the Legislature further finds and declares
20 that man has a moral obligation to understand the world in
21 which he lives, and protect, enhance, make the highest use
22 of land and resources he holds in trust for future
23 generations, and that the dignity and worth of the
24 individual requires a quality environment in which he can
25 develop the full potential of his spirit and intellect."

T004-203

T004-203

The Project has been modified since issuance of the March 2006 Revised Draft EIR. See Section 1.4.2 for a summary of Project changes. Section 4.6.1.3 contains revised information on Project emissions and proposed control measures. Section 4.6.4 discusses the health effects attributed to air pollutants and includes revised impacts and mitigation measures.

T004-204

Thank you for the information.

T004-204

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1 This project stands in opposition to our
2 educational and community goals. The quality of our
3 environment will be worsened by bringing in an LNG facility.
4 There are also environmentalists in Australia, working to
5 prevent LNG plant construction. We don't want to be a
6 receiver and a party to this business anymore than they want
7 it extracted out of their part of the earth. This globe is
8 everyone's backyard.

9 Transitioning to renewables relieves tension over
10 scare finite resources and has zero emissions of carbon
11 dioxide.

12 Environmental competence must prevail, now, over
13 corporate interests. Say not to this project and others
14 like it.

15 (Applause.)

16 MODERATOR GRANT: Thank you. Dr. Jay McPhearson.
17 Dr. Jay McPhearson?

18 Baltozar Luna. Baltozar Luna?

19 Chuck Bauman.

20 MR. BAUMAN: Good evening, Panel. My name is
21 Chuck Bauman, currently a resident of Oxnard. I have lived
22 and worked in Ventura County and Oxnard for 45 years. I
23 worked for the gas company, locally, for 35 years, retiring
24 six years ago.

25 I do not fear this project and I will not move

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T004-205

T004-205

Sections 1.2.2, 1.2.3, 1.2.4, 3.3.1, 3.3.2, and 4.10.1.3 contain
information on the need for natural gas, the role and status of
energy conservation and renewable energy sources, and the
California Energy Action Plan.

T004-206

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

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1 from my little piece of paradise because of it. I believe
2 the project can provide a safe, reliable, and efficient way
3 to deliver natural gas to the growing and vibrant economy of
4 Ventura County and the State of California, and I support
5 the project. Thank you.

6 (Applause.)

7 MODERATOR GRANT: The next group of speakers,
8 Michael Cheka, Avie Guerra, Tom Somers, Bob Wilber, Amie
9 Finan.

10 Michael Cheka? Oh, you're not Michael. Is
11 Michael Cheka here?

12 Avie?

13 MS. GUERRA: Guerra.

14 MODERATOR GRANT: Ms. Guerra, go ahead, please.

15 MS. GUERRA: Good evening, my name is Avie Guerra.

16 I'm a resident of Oxnard. In fact, I was born and raised
17 here, and my mother was born and raised here. My
18 grandparents came in 1915. Well, actually, before that my
19 grandfather had been here. But in 1915 they brought the
20 whole family over because they couldn't live in Mexico
21 because of the political situation there and they chose to
22 live here, in this area, because my grandfather had been
23 here prior.

24 And when the situation arose that they couldn't
25 live over there anymore, he had been over here and he loved

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1 it here. He liked the environment, he liked the
2 progressiveness of Oxnard. If you can believe that, in
3 1915.

4 But anyway, to get a long story short, I have six
5 generations of my family that have lived there. In fact,
6 the newest member was born this morning, my grandson.

7 So I love this town and I love this area. My
8 family's lived here, like I said, forever. And we've not
9 just lived here, we've been involved in the community. I,
10 myself, was a former member of the National Sanctuary. I
11 believe to the Savior's Road Design Team, locally. I've
12 been on various commissions with the city.

13 I retired from the Cal State University
14 Northridge.

15 Anyway, I have a list of concerns that I have in
16 this letter, that I'll just hand you, but a lot of it has
17 been said before. And I know some people think it's
18 hysterical, but I don't think they've through an earthquake
19 before. Earthquakes are a concern of mine in this area.

20 Terrorist invasion, the possibility of that
21 happening is a reality. I mean, it has happened.

22 Air pollution. Oh, my God, where do I start,
23 where do I end? I have a son, 14 years ago, that died of
24 leukemia, of cancer, so I'm concerned about our health
25 issues, that the pollution of this project would bring.

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T004-207

Section 4.11 contains information on seismic and geologic hazards and mitigation that specifically addresses the potential damage to proposed pipelines from a direct rupture along fault lines. Appendices J1 through J4 contain additional evaluations of seismic hazards.

T004-208

Table 4.2-2 and Sections 4.2.6.1 and 4.2.7.6 contain information on the threat of terrorist attacks.

T004-209

The Project has been modified since issuance of the March 2006 Revised Draft EIR. See Section 1.4.2 for a summary of Project changes. Section 4.6.1.3 contains revised information on Project emissions and proposed control measures. Section 4.6.4 discusses the health effects attributed to air pollutants and includes revised impacts and mitigation measures.

T004-207

T004-208

T004-209

110

1 Besides the pollution for the people environment,
2 the marine environment is of great concern to me because
3 this would really disrupt our marine environment. I don't
4 care what the naysayers say, or whatever.

5 But anyway, we don't need this project. And a lot
6 of the people that were here tonight are from this city,
7 they weren't brought in buses, because that's what happened
8 the last time. And there have been some people that were
9 brought in on buses. I don't think you're aware of that.
10 But because we're local here, and we know the community, we
11 can tell who they are.

12 And, you know, not everybody was wined and dined.
13 They tried to wine and dine everybody, that was a fact.
14 This company has contributed money to a lot of nonprofits to
15 buy people. Well, I'm concerned if that's their way of
16 business, they're not a business person.

17 And I really commend you on the job that you have
18 to do because I know it's a hard job, and I know you'll do a
19 good job and study the issues fairly. Thank you very much.

20 (Applause.)

21 MODERATOR GRANT: Tom Somers.

22 MR. SOMERS: Good evening. My name is Tom Somers,
23 I reside in Fillmore, I'm a bilingual teacher in Oxnard. I
24 teach at Lemonwood School, third grade, and my daughters
25 live here.

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T004-210

Sections 4.7.4 and 4.18.4 contain information on potential impacts
and mitigation measures related to marine life and water quality.

T004-210

T004-211

Your statement is included in the public record and will be taken
into account by decision-makers when they consider the proposed
Project.

T004-211

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1 I wish to say that I'm an energy user.

2 Furthermore, I am a teacher who hasn't done his homework
3 conscientiously. I don't well know what the safety hazards
4 are if this plant is approved.

5 I wrote that a couple of hours ago, I've learned a
6 lot. Having admitted that much, I wish to express my
7 opposition to this initiative.

8 Frankly, I don't need to do extensive research.
9 My friends, in the Sierra Club are against it, the Malibu
10 residents are against it.

11 What I can share with you, confidently, is that I
12 suspect I do know why Oxnard, which is two-thirds Latino,
13 has been chose for this toxic and risky opportunity. Isn't
14 it because the residents of Oxnard are the least able to
15 speak out against a well-financed and well-organized public
16 relations effort by the LNG players.

17 (Applause.)

18 MR. SOMERS: My students' parents don't speak
19 English, for the most part, they won't be attending this
20 important meeting or other important meetings. Oxnard is,
21 per capita, the poorer community in Ventura County. Isn't
22 that the reason we are a softer target, more susceptible to
23 pressure from the Billiton lobby. Oxnard residents are
24 harder to mobilize than residents of more affluent
25 communities, I believe.

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T004-212

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-213

The USCG, MARAD, and the CLSC received an application for a deepwater port off the shore of Ventura County. The USCG and MARAD are therefore required under NEPA to evaluate this alternative as the Applicant's preferred alternative. The agencies have evaluated this alternative in comparison with the other reasonable alternatives in compliance with NEPA and the CEQA.

The EIS/EIR initially evaluated 18 locations for the FSRU as potential locations for the deepwater port. It built on previous California Coastal Commission studies that evaluated nearly 100 locations. Section 3.3.7 contains information on other locations that were considered.

Section 4.19 contains information on potential impacts to the Latino community in Oxnard.

Section 1.1 discusses regulations and agencies involved in the licensing and potential approval of the proposed Project. The USCG and MARAD will hold a final public hearing on the license with a 45-day comment period before the Federal Record of Decision is issued. The CSLC also will hold a hearing to certify the EIR and make the decision whether to grant a lease. Section 1.5 contains additional information regarding public notification and opportunities for public comment.

T004-214

Section 1.5 contains information on outreach to the Spanish-speaking community. Section 2.1 and Figure 2.1-1 contain information on the location of the proposed Center Road pipeline, which is predominantly in Ventura County, and the Line 225 Pipeline Loop in Santa Clarita.

T004-212

T004-213

T004-214

112

1 I can't help feeling a bit resentful that, by a
2 fateful coincidence, Billiton chooses to hit the beach, so
3 to speak, in Oxnard. Why not in Malibu, or Ventura, Santa
4 Barbara, or Palos Verdes, Summerland, or Carpenteria, or
5 Santa Monica?

6 My informant here tonight, Christina Ortega, tells
7 me that BHP Billiton, or its proxy, is running a
8 sophisticated pro-LNG port campaign on Spanish-language
9 radio station L-a-z-e-r, Radio Lazer, touting lower energy
10 costs, safety, and a better future. I think that's a
11 community that would welcome these ideas.

12 My concern is that BHP Billiton is unethically,
13 perhaps cynically, targeting a Spanish-dominant population
14 that doesn't have the means or education to understand the
15 science of pollution or the math or risk assessment. Thank
16 you.

17 (Applause.)

18 MODERATOR GRANT: Thank you.

19 Bob Wilbur? Amy Finan, F-i-n-a-n? Neither in the
20 house.

21 Moving forward, Marcelo de Andrade, Kathy Wilbur,
22 Edward McCormick, Danielle Gomez, Robert Trainer.

23 Mr. De Andrade.

24 MR. DE ANDRADE: Good evening. I'd like to,
25 tonight, try to give a testimony of my experience with BHP

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T004-215

Section 3.4.3 contains information on alternative shore crossings.

T004-216

Thank you for the information. Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-215

T004-216

T004-217
Thank you for the information.

113

1 Billiton as a neighbor, as a corporate citizen.

2 I've been working with, I represent -- we work for
3 20 years with this development, in 38 different companies in
4 the world. We won many awards, some of them equivalent to
5 the Nobel Prize for development. We've been working with
6 the United Nations, with the World Bank, with many different
7 NGOs in the world.

8 We have been working with some other resource
9 companies, like BHP Billiton. I do believe BHP Billiton is
10 one of the most responsible companies of this sector, a very
11 good corporate citizen. I have some good examples to tell.
12 For example, in a malaria-infested company, like Mozambique,
13 in three years of -- five years of BHP's presence, they've
14 managed to reduce and work with the community, reducing 98
15 percent of the prevalence of malaria in that country.

16 And now, they're going into farming and
17 sustainable agriculture, and inducing a better economic
18 model for the region.

19 I've worked with them, for example, in projects in
20 Brazil, and I've seen them work in different, other programs
21 in the world, bringing always community development
22 programs, always engaging with the communities they work, in
23 a participatory way, planning to do better. They believe,
24 sincerely, that they do not wish to be an island of wealth
25 in the midst of poverty, so it's a matter of sharing is

T004-217

T004-217 Continued

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1 better.

2 And when they do this in developing countries,
3 they really help the whole situation, including the
4 governments, to understand the way to better invest to get
5 better results to their community.

6 I believe a natural resource project, like this,
7 is a long-term neighbor. And having a company that
8 understands that fact is very important for the neighbors,
9 especially for the poor communities, as it was mentioned
10 here, tonight.

11 MODERATOR GRANT: Please continue, Mr. Andrade.

12 MR. ANDRADE: Sure. I don't understand enough
13 about the project to talk about safety and all that. I just
14 have an experience to share of what I've seen in a lot of
15 experience with them in the world, in terms of sustainable
16 development, corporate citizenship, responsibility and,
17 especially, how to work with communities surrounding their
18 projects.

19 That's all I have to say. I've just witnessed it
20 and I feel it's important to say.

21 MODERATOR GRANT: Your time is up.

22 MR. DE ANDRADE: Thank you. Good evening.

23 MODERATOR GRANT: The next speaker, Kathy Wilbur.
24 Is Kathy Wilbur in the house?

25 Edward McCormick. Is Mr. McCormick here?

T004-217
Continued

T004-218

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-218

T004-219

Thank you for the information.

T004-220

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

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1 Daniel Gomez. Is Mr. Gomez here?

2 Robert Trainer. Mr. Trainer.

3 MR. TRAINER: Hi, my name's Bob Trainer, I'm from
4 Camarillo. I spent my whole life making electrical power, I
5 mean, since I've been 17. The last time I was actually --
6 I'm retired, now, but when I was working I did it for 39
7 years in Southern California.

8 And all that time I had to burn natural gas to
9 make electricity. And every now and then the gas supply got
10 a little low and we'd have to full on our backup fuel, which
11 was oil fuel, and sometimes we'd burn oil fuel and gas fuel.

12 But for 39 years, we were continually running out
13 of gas supplies. That doesn't mean that the supply was
14 short, maybe they lost some compressors, or a pipeline
15 problem, or something, but to us it was a shortage of gas.

16 And it didn't stop us from producing electricity.
17 We had to produce electricity when the sun went down. We
18 had to produce electricity when the wind stopped blowing.

19 And the worst time of all, we had to produce
20 electricity when the rivers ran dry and the dams were just
21 empty, that they couldn't produce any power.

22 So I feel for what the people want, but all I can
23 see, from my experience, my background is that we need gas
24 fuel so we can make electricity. That's how I boil it down.
25 Thank you.

T004-219

T004-220

T004-221
Thank you for the information.

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1 MODERATOR GRANT: Thank you.

2 Art Miller, followed by Jane McCormick-Tolmach,
3 Octavio SiFuentes, Ingrid Ward.

4 Mr. Miller?

5 MR. MILLER: My name is Art Miller, I'm from
6 Camarillo. I'm not being paid by anybody and I did come
7 here by bus. I got a sandwich out of it, though.

8 On the points that I've taken here, and I've
9 listened tonight, visual blight, that's ridiculous. I mean,
10 you can't see the darn thing, it's going to be 14 miles
11 offshore.

12 I think the EIR reports will handle the safety
13 issues. I, personally, think Southern California Gas knows
14 how to handle it. They've been doing it for years,
15 including high pressure lines.

16 On pollution, my understanding is that one of the
17 things BHP is doing is having fleet vehicles refitted from
18 diesel to natural gas. Ocean-going tugs refitted from
19 diesel to natural gas. These things I understand, at least,
20 and the EIR, I'm sure, will go into it, should more than
21 offset the pollution they produce.

22 As far as need is concerned I heard, and hear
23 tonight, we may have enough domestic gas to last 20 years.
24 Well that's, to me, scary, not good news. Yeah, we can
25 develop other means of producing energy and we should. I'm

T004-221

T004-221 Continued

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1 not arguing that at all. But as the last man said, the wind
 2 sometimes doesn't blow, sometimes the sun doesn't shine.
 3 Other means, hopefully, will be developed. In the meantime,
 4 this is what we have.

5 We have oil, which is in desperately short supply,
 6 or can be at a moment's notice, because it comes from places
 7 that don't like us and are subject to attack.

8 We have natural gas, which is a lot cleaner than
 9 oil. There are a limited number of things we have.

10 One more source of natural gas is a plus. It's a
 11 good thing. And I, personally, love the idea of using
 12 someone else's gas, rather than pumping our own out of the
 13 ground. Because then, when they run out, we still have
 14 some.

15 Anyway, thanks.

16 MODERATOR GRANT: Thank you.

17 Jane McCormick-Tolmach.

18 MS. MC CORMICK-TOLMACH: Thank you, Commissioners.

19 I wish to comment, again, on the Revised Draft EIR
 20 relating to the safety issues. My huge U.S. map of the
 21 coast, from Point Dume to Purisima Point has a different
 22 name for Point Mugu sea range, than the DEIR uses. Mine
 23 says "caution Pacific Missile Range," and this is that
 24 testing range out here that's part of our naval base at
 25 Ventura County.

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T004-221
Continued

T004-222

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-223

The Point Mugu Sea Range was formerly known as the Pacific Missile Range. The FSRU would be located 3.5 NM (3.54 miles) from the eastern boundary of the Point Mugu Sea Range (Pacific Missile Range).

Section 4.3.1.1 contains information on existing vessel traffic conditions. Impacts MT-5 and MT-6 in Section 4.3.4 discuss Naval operations and the operation of the Point Mugu Sea Range, as well as the potential impacts of the presence of the FSRU.

T004-222

T004-223

T004-223 Continued

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1 This is very close, this missile range is very
 2 close to the FSRU. I was on the Oxnard City Council when we
 3 carefully studies a liquified natural gas facility in
 4 Oxnard, in the seventies. Worst case danger in Oxnard, in
 5 the huge EIR, was an LNG ship accident in the shipping
 6 lanes. The vapor cloud that forms when the minus 260-degree
 7 LNG hits the ocean water, and the prevailing onshore wind,
 8 were expected to cause danger to a greater distance than is
 9 predicted in this DEIR.

10 There was inadequate -- there's been an
 11 inadequate, in my mind, examination of the wind direction
 12 and the strength, as well as the possibility of an entire
 13 shipload being spilled in the ocean, in this draft EIR.

14 I have lived in Oxnard for 58 years and I grew up
 15 in Ventura, so I've been around in the county for a long
 16 time.

17 We have a great variety of weather along our
 18 coast. A few years ago we had two 100-year storms within
 19 two months, I think January and February one year. Since it
 20 is not certain where the LNG will come from, because the
 21 source west of Australia has not been developed yet, you
 22 should read on page 15 of Richard A. Clark's book, "Against
 23 All Enemies." He points out -- he worked in the White House
 24 in the two Bushes' Administration and Clinton's
 25 Administration.

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T004-223
Continued

T004-224

T004-224

Thank you for the information.

T004-225

T004-225

LNG carriers approaching and departing the Cabrillo Port FSRU would travel on the routes depicted in Figure 4.3-2 (also see Section 4.3.1.3). LNG carriers would neither cross nor enter the Santa Barbara Channel traffic separation scheme (TSS) under normal operating conditions. The FSRU would be located about 2 nautical miles from the southbound coastwise traffic lane. Given this distance, its presence, under normal operating conditions, would not interfere with operations in the TSS.

T004-226

All LNG carriers would be equipped with an automatic identification system (AIS) so that they would be able to detect other LNG carriers and other vessels. Also, all LNG carriers would be responsible for adhering to the "rules of the road" for ship traffic. Section 4.3.1.4 describes safety measures to be used.

T004-227

Section 4.2.3, the Independent Risk Assessment (Appendix C1), and the U.S. Department of Energy's Sandia National Laboratories' review of the Independent Risk Assessment (Appendix C2) contain information on the 1977 Oxnard study.

T004-228

Section 4.2.7.6 and the Independent Risk Assessment (Appendix C1) contain information on public safety impacts from various incidents at the FSRU. The analysis indicates that the maximum impact distance of an accident would involve a vapor cloud dispersion extending 6.3 nautical miles (7.3 miles) from the FSRU. The FSRU would be located approximately 12.01 nautical miles (13.83 miles) offshore; therefore, consequences of an accident involving LNG transport by carrier and storage on the FSRU would extend no closer than 5.7 nautical miles (6.5 miles) from the shoreline.

T004-229

T004-226

Section 4.1.8.5 addresses existing wind conditions at the offshore Project site. Section 2.3.5.3 of the Independent Risk Assessment (IRA) (Appendix C1) contains information on the environmental, meteorological and ocean conditions that were considered in the modeling of LNG spills and dispersion.

The IRA, which was independently reviewed by the U.S. Department of Energy's Sandia National Laboratories, evaluates

the consequences of a potential vapor cloud (flash) fire, as discussed in Section 4.2.7.6 and the IRA. The IRA determined that the consequences of the worst credible accident involving a vapor cloud fire would be more than 5.7 NM from shore at the closest point, as summarized in Table 4.2-1. Figure 2.1-2, Consequence Distances Surrounding the FSRU Location for Worst Credible Events, depicts the maximum distance from the FSRU in any direction that could be affected in the event of an accident. The shape and direction of the affected area within the circle depicted in Figure 2.1-2 would depend on wind conditions and would be more like a cone than a circle, but would not reach the shoreline.

T004-227

NEPA does not require "worst-case analysis" but does require the agency to prepare a summary of existing relevant and credible scientific evidence and an evaluation of adverse impacts based on generally accepted scientific approaches or research methods. However, the Independent Risk Assessment (IRA) (Appendix C1) defines and evaluates representative worst credible cases (scenarios of events that would lead to the most serious potential impacts on public safety). These included accidents that would affect one, two, or all three tanks of the FSRU.

As shown in Tables 4.2-1, 4.2-2, 4.2-7, and 4.2-8, the release of the contents of all three tanks (the entire contents of the FSRU and an attending LNG carrier) is addressed in the escalation scenario associated with a large intentional event. Section 4.2.7.6 contains additional information on how intentional events are addressed. Although the 2006 U.S. Department of Energy's Sandia National Laboratories third-party technical review of the 2004 IRA found that the three-tank simultaneous release (a massive LNG release in a short time period) was not credible, Sandia recommended the consideration of a cascading (escalation) three-tank scenario.

T004-228

Section 4.1.8 contains information on oceanography and meteorology.

T004-229

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-229 Continued

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1 He points out that Al Queda operatives have been
 2 infiltrating Boston by coming in on the liquid natural gas
 3 tankers from Algeria. He said we had also learned that if
 4 they had one of the giant tankers blown up in the harbor, it
 5 would have wiped out Boston.

6 MODERATOR GRANT: Ms. McCormick-Tolmach, your time
 7 is up.

8 MS. MC CORMICK-TOLMACH: Thank you.

9 MODERATOR GRANT: Octavio Sifuentes.

10 Mr. Sifuentes, could you spell your last name for
 11 the record, please?

12 MR. SIFUENTES: S-i-f-u-e-n-t-e-s.

13 MODERATOR GRANT: Thank you.

14 MR. SIFUENTES: Thank you, Mr. Sanders, and the
 15 rest of your staff for listening to our concerns.

16 And I want to tell you that I want to say no to
 17 LNG in our community. Because of our dependency upon
 18 companies, today we're seeing the price per gallon of
 19 gasoline over \$3.00. And our country is on a pile.

20 Today, we're talking about letting a foreign
 21 company, BPH Billiton, supply liquid natural gas, an energy
 22 product which is not needed, and I'll say it's not needed.

23 However, it's speculated they're only interested
 24 in making a profit, they're attempting to sell us a product
 25 that would be delivered experimentally, with an unknown

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T004-229
Continued

T004-230

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-231

Section 1.2 discusses dependence on foreign energy sources.

T004-232

Sections 1.2.2 and 1.2.3 contain updated information on natural gas needs in the U.S. and California. Forecast information has been obtained from the U.S. Department of Energy's Energy Information Agency and from the California Energy Commission.

T004-233

Section 2.1 contains information on design criteria and specifications, final design requirements, and regulations governing the construction of the FSRU. The Cabrillo Port must be designed in accordance with applicable standards, and the U.S. Coast Guard has final approval. Section 4.2.4 contains information on Federal and State agency jurisdiction and cooperation. The Deepwater Port Act specifies regulations that all deepwater ports must meet; Section 4.2.7.3 contains information on design and safety standards for the deepwater port. Section 4.2.8.2 contains information on pipeline safety and inspections. Impact EJ-1 in Section 4.19.4 addresses additional pipeline design requirements in areas of low-income and minority communities. The EIS/EIR's analyses have been developed with consideration of these factors and regulations and in full conformance with the requirements of NEPA and the CEQA.

T004-230

T004-231

T004-232

T004-233

T004-233 Continued

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1 technology, and with an unproven delivery system that will
 2 probably pollute, kill wildlife, and make our shipping lanes
 3 not good, endanger our community, and make us vulnerable to
 4 terrorism.

5 Why? For the sake of enriching speculators.

6 If this proposal is approved, we can be sure the
 7 price of gas will be manipulated. Yes, the price of gas
 8 will be manipulated. Imagine how the price of gas will
 9 suddenly increase in the winter, when it is needed, just as
 10 the price of gasoline is manipulated in the summer, when it
 11 is needed.

12 We need to stop depending on foreign supply for
 13 our energy needs. We have the resources and the academic
 14 know-how to do research and develop alternative sources of
 15 energy.

16 There have been a few individuals who pretend to
 17 represent the laborers, ethnic groups, or those individuals
 18 who claim to be experts. They may be consultants, who are
 19 being paid to deliver our community to foreign interests.
 20 Thank you.

21 (Applause.)

22 MODERATOR GRANT: Ingrid Ward.

23 MS. WARD: Good evening. I'm Ingrid Ward and I'm
 24 a proud resident of Oxnard.

25 Now that Oxnard is producing its own energy,

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T004-233
Continued
T004-234

T004-234

Sections 4.6.4 and 4.18.4 discuss the Project's potential impacts on air and water quality. Sections 4.7.4 and 4.8.4 discuss the Project's potential impacts on the marine and terrestrial environments.

Section 4.3 addresses maritime traffic impacts. LNG carriers approaching and departing the Cabrillo Port FSRU would travel on the routes depicted in Figure 4.3-2 (also see Section 4.3.1.3). LNG carriers would neither cross nor enter the Santa Barbara Channel traffic separation scheme (TSS) under normal operating conditions. The FSRU would be located about 2 nautical miles from the southbound coastwise traffic lane. Given this distance, its presence, under normal operating conditions, would not interfere with operations in the TSS.

All LNG carriers would be equipped with an automatic identification system (AIS) so that they would be able to detect other LNG carriers and other vessels. Also, all LNG carriers would be responsible for adhering to the "rules of the road" for ship traffic. Section 4.3.1.4 describes safety measures to be used.

Section 4.2 contains information on public safety. Table 4.2-2 and Sections 4.2.6.1 and 4.2.7.6 contain information on the threat of terrorist attacks.

T004-235

T004-236

T004-237

T004-235

Section 1.2 discusses dependence on foreign energy sources.

T004-236

Sections 1.2.2, 1.2.3, 1.2.4, 3.3.1, 3.3.2, and 4.10.1.3 contain information on the need for natural gas, the role and status of energy conservation and renewable energy sources, and the California Energy Action Plan. Sections 3.3.1 and 3.3.2 address conservation and renewable energy sources, within the context of the California Energy Commission's 2005 Integrated Energy Report and other State and Federal energy reports, as alternatives to the Project.

T004-237

Thank you for the information.

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1 methane gas, from the new waste treatment facility, the need
 2 for foreign resources appears unnecessary. Considering the
 3 disruption of our infrastructure, the threat of an
 4 explosion, the undeniable addition of pollution to our
 5 Channel Island preserves, as well as the unknown effects
 6 upon our precious coastal marine life, establishment of an
 7 LNG facility for the benefit of a few energy companies, is
 8 truly irresponsible.

9 Certainly, the selfishness of the few cannot trump
 10 the safety and health of the many. Thank you.

11 (Applause.)

12 MODERATOR GRANT: Thank you. The next group of
 13 people, Doug Van Leuven, Marvel Vigil, Kevin Ward, Pamela
 14 Meidell, Ralph Volpi, Brett Wagner.

15 Mr. Van Leuven, Doug Van Leuven?

16 All right, Marvel Vigil. Marvel Vigil?

17 Kevin Ward.

18 MR. WARD: Hi, my name is Kevin Ward, I'm a
 19 resident of Oxnard and have been for five years.

20 Earlier, the representative from BHP Billiton
 21 spoke, almost reassuringly, about the establishment of these
 22 facilities on the west coast, the probably unpopulated or,
 23 probably more accurately, un-European populated area of
 24 Australia, as if that was some kind of reassurance for us,
 25 here, where we have population.

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| T004-238

T004-238

Sections 1.2.2 and 1.2.3 contain information on natural gas needs in the U.S. and California. Forecast information has been obtained from the U.S. Department of Energy's Energy Information Agency and from the California Energy Commission. Section 1.2 discusses dependence on foreign energy sources.

| T004-239

T004-239

Section 4.17.4 contains information regarding impacts and mitigation for transportation. The FSRU would be located outside of the current boundary of the Channel Islands National Marine Sanctuary (CINMS) and vessels associated with Cabrillo Port operations would not be expected to enter the CINMS. Sections 4.7.1.4, 4.13.2.2, and 4.20.1.5 discuss the potential expansion of the CINMS boundary, which is not proposed at this time. Sections 4.7.4, 4.15.4, 4.16.4, and 4.18.4 describe potential impacts on the marine environment and proposed mitigation measures to reduce those potential impacts.

| T004-240

T004-240

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-241

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

| T004-241

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1 While we've addressed the population situation and
2 all of the threats that occur to the population, but I think
3 that what was revealed to me two years ago, when I came to
4 one of these representational things, I asked one of the
5 representatives from BHP Billiton just how many of these
6 facilities were located on the Great Barrier Reef? And they
7 looked at me like I was insane because the Great Barrier
8 Reef, for Australia, is their tourism and they have great
9 respect for their own marine habitats.

10 And I said, I guess that's kind of an absurd
11 question and she said, "absolutely." And I said, well, let
12 me tell you something, quite frankly, you're talking about
13 putting one of these on our Barrier Reef.

14 And so I would say that this thing has to pass the
15 Barrier Reef test. If you're willing to put one in
16 Australia, on your Barrier Reef, then maybe we might even
17 start to consider this here. Thank you.

18 (Applause.)

19 MODERATOR GRANT: Pamela Meidell.

20 MS. MEIDELL: Good evening, Panel members, thank
21 you for the opportunity to speak.

22 My name is Pamela Meidell and I'm a 20-year
23 resident of Oxnard. I'm here tonight, representing the
24 Coastal Alliance United for a Sustainable Economy, which is
25 a local public policy and research organization, and I'm the

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Continued

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1 President of the Board.

2 Early on, in preparation for the earlier EIS/EIR,
3 our Board took a position opposing the BHP Billiton facility
4 and recommending a no-action alternative based on
5 environmental justice grounds. That is in the record, so I
6 won't address that tonight.

7 But I want to talk, briefly, about the
8 insufficiency of the EIS/EIR because it does not establish a
9 need for this proposed LNG facility, it does not offer a
10 full range of alternative options, and does not incorporate
11 a serious analysis of the project, using the internationally
12 accepted criteria of the precautionary principle.

13 And I'm going to limit my comments to that
14 particular aspect of it.

15 We urge you to fully investigate and apply the
16 precautionary principle to this project. As articulated in
17 the Rio Declaration, from the 1992 UN Conference, on the
18 environment, instead of asking what level of harm or risk of
19 harm is acceptable, this principle asks how much harm can be
20 avoided. What are the alternatives and are they safer, and
21 is this project even necessary?

22 We ask that you incorporate the foresight to
23 protect our coastal communities and the diverse life here
24 against possible harm.

25 When an activity raises threats of harm to human

T004-242

Thank you for the information.

T004-243

Sections 1.2.2 and 1.2.3 contain updated information on natural gas needs in the U.S. and California. Forecast information has been obtained from the U.S. Department of Energy's Energy Information Agency and from the California Energy Commission.

T004-244

Sections 1.2.2, 1.2.3, 1.2.4, 1.2.5, and 3.3 contain information on the adequacy of alternatives. As stated in Section 1.1.1, "One of the mandates of the DWPA is to 'promote the construction and operation of deepwater ports as a safe and effective means of importing oil or natural gas into the United States and transporting oil or natural gas from the outer continental shelf while minimizing tanker traffic and the risks attendant thereto.' The mandate serves to define the constraints within which MARAD and the USCG evaluate the purpose and need for a project under the DWPA. The MARAD and the USCG must also respond to a specific application that has been filed."

Under NEPA and the CEQA, a reasonable range of alternatives must be considered to permit a reasoned choice of alternatives with respect to their environmental aspects. Information on the alternatives has been added in several sections. However, NEPA and the CEQA do not dictate an amount of information to be provided but rather prescribe a level of treatment, which may in turn require varying amounts of information to enable reviewers and decision-makers to evaluate and compare alternatives. As discussed in Sections 3.3.1 and 3.3.2, energy conservation and use of renewable energy sources do not meet the projected energy needs of California, as determined by the California Energy Commission.

The projected energy gap is to be filled by seeking additional supplies of natural gas, including LNG. The Project goal of supplying natural gas to California and the nation over short- and mid-term timeframes and diversifying the supply of natural gas should be viewed in this context.

Section 3.2 identifies the range of alternatives considered. Section 3.3 discusses 18 potential locations for the deepwater port. It builds on previous California Coastal Commission studies that evaluated nearly 100 locations. In addition, Table 3.2-1 identifies six alternative technologies that are evaluated. The selection of the No Action Alternative by decision-makers, for which they have full

discretion, would not fulfill the purpose and need of the Project to supply natural gas to California consumers but would maintain, for an indeterminate time, the status quo of California's and the nation's existing and projected energy supply mix, including conservation and renewable energy sources.

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Section 4.1.3 contains information on the significance criteria used to evaluate Project impacts.

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1 health or the environment, precautionary measures should be
 2 taken, even if some cause and effect relationships are not
 3 fully established scientifically.

4 In this case, the proponent of the activity, BHP
 5 Billiton, rather than the public, should bear the burden of
 6 proof. The process of apply the precautionary principle
 7 must be open, informed, and democratic, and must include the
 8 potentially affected parties, and involve a full examination
 9 of the alternatives.

10 In your opening statement, you mentioned that
 11 there are 20 impacts, in nine areas, that remain significant
 12 in this area, and I would suggest that those areas all need
 13 to be addressed and need to be proven to us that it is a
 14 safe project. All of them need to be addressed.

15 We, in Ventura County, and particularly in Oxnard,
 16 are trying our best to take care of the health of our
 17 beautiful community. Our responsibility to current
 18 residents, future residents, and future generations requires
 19 that we object to this proposal and that you adopt a no-
 20 action alternative. Thank you.

21 (Applause.)

22 MODERATOR GRANT: Ralph Volpi, V-o-l-p-i. Ralph
 23 Volpi?

24 Brett Wagoner?

25 All right, our next group of names. Cameron

T004-245
Continued

T004-246

The EIS/EIR contains substantial mitigation to avoid or reduce potential significant impacts to a level below significance criteria.

The EIS/EIR identifies and assigns significance to all levels of impacts as required by NEPA. The EIS/EIR also identifies unavoidable significant (Class I) impacts. The Administrator of MARAD under the authority of the Deepwater Port Act, the California State Lands Commission, and the Governor of California have to balance the benefits of the Project against its unavoidable environmental risks. In accordance with section 15093 of the State CEQA Guidelines, the CSLC would have to make a Statement of Overriding Considerations addressing Class I impacts prior to approval of the proposed pipeline lease application.

T004-246

The lead Federal and State agencies share the responsibility to ensure that mitigation measures are implemented. Table 6.1-1 in Chapter 6 is the basis for the Mitigation Monitoring Program, which would be implemented, consistent with section 15097(a) of the State CEQA Guidelines, to ensure that each mitigation measure is incorporated into Project design, construction, operation, and maintenance activities.

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T004-247

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

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Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

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1 Wellwood, James Yarbrough, Carmen Ramirez, Karine Adalian,
2 A-d-a-l-i-a-n, Lupe Anguiano.

3 Mr. Wellwood.

4 MR. WELLWOOD: All right, before you start the
5 timer, can you turn the base down a little?

6 MODERATOR GRANT: No, I cannot do that.

7 MR. WELLWOOD: Nobody can hear because it's all
8 empty, and muffled. All right, whatever.

9 MODERATOR GRANT: We can hear you well enough to
10 record your comments.

11 MR. WELLWOOD: All right, which mike is on?

12 MODERATOR GRANT: Both.

13 MR. WELLWOOD: Okay.

14 MODERATOR GRANT: You don't have to yell into the
15 mike.

16 MR. WELLWOOD: I'm sorry, I just want to make sure
17 everyone can hear me.

18 MODERATOR GRANT: Everyone can hear you. Please
19 begin.

20 MR. WELLWOOD: I represent Malibu, I'm up here to
21 help all of you out. Because so many facts and figures, you
22 know, who really cares about all that. All right. We're
23 the ones who live here and we're not going to put up with
24 it. There's nothing you can do to get this thing here,
25 we're going to fight until the end. I will die for that

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1 ocean and I'm not going to put up with it, and I know a lot
2 of these people feel the same way.

3 Somebody already said it, why don't we go ahead
4 and start drilling for oil on the Barrier Reef. I like that
5 idea. Why don't we put up like 20 platforms, then we
6 wouldn't need this LNG stuff.

7 How about, you know, then they could sit there and
8 look out into their ocean, and see our factories. Wouldn't
9 that be nice.

10 Okay, so fine, we save some money on gas. How
11 much do you think that this is going to cost you at the
12 local market, when they're all gone? If there are any left.
13 The fish can't be replaced, and neither can we.

14 So let's see where we are, here. These guys don't
15 have to eat the fish they catch, they don't have to question
16 the water they surf or swim in, or scuba dive in. They
17 don't care about our fragile ecosystem, but they do care
18 about money.

19 These southwest wins, that blow every morning, are
20 going to bring all the smog here, to Oxnard. The west winds
21 that blow all afternoon are going to bring it to Malibu.
22 And when it switches to west/northwest, like it does every
23 day, it's going to bring it to the rest of L.A., which is
24 already the second smoggiest city in the United States.

25 So why here? Well, why anywhere? The ocean is no

T004-248
Continued

T004-249

Section 4.7.4 contains information on potential impacts on marine biological resources and mitigation measures to address such impacts.

T004-250

Section 4.1.8 discusses oceanography and meteorology. The Project has been modified since issuance of the March 2006 Revised Draft EIR. See Section 1.4.2 for a summary of Project changes. Section 4.6.1.3 contains a revised discussion of Project emissions and proposed control measures. Section 4.6.4 discusses the health effects attributed to air pollutants and includes revised impacts and mitigation measures.

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T004-251

Section 4.18.4 contains information on potential impacts on water quality and mitigation measures to address impacts. Section 4.15.4 contains information on potential impacts on recreational activities and mitigation measures to address impacts.

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T004-251 Continued

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1 place for factories. They're turning our ocean from a life
2 giver to a life taker. Instead of wanting to live by the
3 ocean, the ocean will be the reason to leave. All those
4 leaky pipes and fittings will bring toxic crap under our
5 best beaches, when all the waves come in, and our playground
6 will be destroyed from their waste water.

7 So they keep talking about safety. Well, it's
8 just going to start a trend where 20 million of these
9 factories are going to start sprouting up, if we let these
10 guys get away with it.

11 And, also, if the terrorists do get to it, before
12 we do, they'll be doing us a favor, okay. In fact, we'll do
13 whatever it takes to stop it, also. If it means paddling
14 out there on my surfboard to do it, I'm in.

15 (Applause.)

16 MODERATOR GRANT: James Yarbrough. James
17 Yarbrough?

18 MR. YARBROUGH: What Billiton needs to understand,
19 and you need to understand, that we don't want LNG off the
20 coast of Ventura County. I hope you understand that. I
21 hope Billiton understands that. It's not necessary, it's
22 not safe, don't do it. We don't want LNG in this community.

23 (Applause.)

24 MODERATOR GRANT: Carmen Ramirez.

25 MS. RAMIREZ: Good evening. It's been a long

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Continued

T004-252

Table 4.2-2 and Sections 4.2.6.1 and 4.2.7.6 contain information on the threat of terrorist attacks.

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1 night, I appreciate everybody staying, and I know you're
2 really trying intently to hear what we're having to say.

3 Some of us are angry, some of us are sad, but I
4 think all of us have hope that we can stop this project.

5 I'm a resident of Ventura County, I've lived in
6 Oxnard for the last 16 years. I am a former legal aid
7 attorney. I, now, continue to work with low income people
8 in our community.

9 I'm here on behalf of them. I'm here on behalf of
10 my family, and my community, and I'm here on behalf of my
11 mother and my father. My mother earth, my father sky, and
12 everything that walks on the earth, swims in the ocean, and
13 flies in our air.

14 We have to look at what is being proposed. The
15 draft report indicates there are significant risks that
16 cannot be mitigated, will not be mitigated, and then we are
17 asked to trust this company, unfortunately, who can only
18 find people to support this when there's some financial
19 gain.

20 I apologize to those of you who are here from
21 Billiton, who support Billiton, but I have to say 99 percent
22 of you are getting cash out of it. We are not, the ones
23 opposed to it.

24 (Applause.)

25 MS. RAMIREZ: Billiton, unfortunately, has one of

T004-254

The EIS/EIR contains substantial mitigation to avoid or reduce potential significant impacts to a level below significance criteria.

The EIS/EIR identifies and assigns significance to all levels of impacts as required by NEPA. The EIS/EIR also identifies unavoidable significant (Class I) impacts. The Administrator of MARAD under the authority of the Deepwater Port Act, the California State Lands Commission, and the Governor of California have to balance the benefits of the Project against its unavoidable environmental risks. In accordance with section 15093 of the State CEQA Guidelines, the CSLC would have to make a Statement of Overriding Considerations addressing Class I impacts prior to approval of the proposed pipeline lease application.

The lead Federal and State agencies share the responsibility to ensure that mitigation measures are implemented. Table 6.1-1 in Chapter 6 is the basis for the Mitigation Monitoring Program, which would be implemented, consistent with section 15097(a) of the State CEQA Guidelines, to ensure that each mitigation measure is incorporated into Project design, construction, operation, and maintenance activities.

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1 the worst environmental records. Just Google them. We
 2 cannot trust them. They're buying and trying to bribe our
 3 community. This is not how you create an honest
 4 relationship. Would any of these people have their mother,
 5 their children living near this. Why are we being asked to
 6 wake up every morning with the anxiety and knowing that our
 7 ocean, and all the wonderful, precious, sacred things that
 8 are in it could be destroyed by an accident.

9 They'll be far away, we'll have to live with that
 10 suffering. We can't let it happen.

11 We know we'll get stuck with a bill after Katrina.
 12 It won't be the federal government, it won't be the folks
 13 from Australia, it won't be Billiton, it will be us.

14 (Applause.)

15 MS. RAMIREZ: We need to change course. What's in
 16 the draft report, as inadequate as it might be, it does
 17 indicate we've got problems with air, water, traffic,
 18 disease that's going to be caused, noise, disruption among
 19 marine mammals. These are precious things. They're not
 20 infinite. They're being damaged and we have to stop it. We
 21 need to wake up.

22 We need evidentiary hearings that we need this
 23 gas. Just because they take an ad out and say know the
 24 facts, I say let's know the facts. Let's get an evidentiary
 25 hearing, under oath, not hype, not spin, not who can buy as

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Section 4.2.5 contains information on liability in case of an accident and reimbursement for local agencies.

T004-257

Section 1.2.1 contains information on the USCG and State formal hearings.

Following publication of this Final EIS/EIR, MARAD, the USCG, and the CSLC will serve public notice and hold final hearings. MARAD and the USCG will hold a final DWPA license hearing in accordance with 33 CFR 148.222. After the final license hearing is concluded by MARAD and the USCG, the Commandant (CG-3PSO), in coordination with the Administrator of MARAD, will consider any requests for a formal hearing as specified in 33 CFR 148.228. The CSLC will hold a hearing to certify the EIR and make the decision whether to grant a lease.

T004-256

As discussed in Section 1.2.1, the California Energy Commission (CEC) and California Public Utilities Commission (CPUC) must "carry out their respective energy-related duties and responsibilities based upon information and analyses contained in a biennial integrated energy policy report adopted by the CEC." Section 1.2.1 also describes the public process that is used to develop the Integrated Energy Policy Reports to ensure that California's energy-related interests and needs are met.

Section 1.5 contains information on opportunities for public comment. After the MARAD final license hearing, the public will have 45 days to comment on the Final EIS/EIR and the license application. The Federal and State agencies will have an additional 45 days to provide comments to the MARAD Administrator. The Administrator must issue the Record of Decision within 90 days after the final license hearing. The CSLC will hold a hearing to certify the EIR and make the decision whether to grant a lease. The California Coastal Commission will also hold a hearing. Comments received will be evaluated before any final decision is made regarding the proposed Project.

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Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

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1 many ads as they can.

2 They're a megamillion dollar corporation, I say
3 put all your money into Mr. Marcelo's project, put it all
4 there. Find the cure for malaria, stop pushing poison on
5 us.

6 MODERATOR GRANT: Ms. Ramirez, your time is up.
7 (Applause.)

8 MODERATOR GRANT: Karine Adalian.

9 MS. ADALIAN: Hi, my name is Karine Adalian, and I
10 appreciate your staying to listen to us. Also appreciate
11 that you're not chopped liver, and you've been taking notes.

12 However, I think Billiton thinks you're chopped
13 liver, because they've been running ads on the local NPR
14 station in Thousand Oaks, California, and KCLU, saying they
15 are bringing natural gas to California.

16 This project hasn't been approved. This is still
17 the Draft EIR. So when Carmen says that there's spin and
18 they're buying advertising, they're trying to influence us.
19 And, in fact, their pants are on fire because they are not
20 bringing it, yet.

21 And I'm actually thrilled that this hearing period
22 is taking place when the Ken Leigh/Jeff Skilling trial is
23 going on, so that now we can see, again, how Enron tried to
24 screw billions of dollars out of Californian's pockets.

25 I'm also glad this comment period is taking place

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1 near the hundred-year anniversary of the San Francisco
2 earthquake.

3 I'm also glad that we've seen the inadequate
4 federal and local response to the natural disasters known as
5 Katrina and Rita, things that we had advance notice for and
6 we still were inept.

7 If we tried to evacuate this area in the event of
8 an accident, where we didn't have at least advanced notice,
9 can you imagine what the traffic would be like trying to
10 leave Southern California.

11 I think, by now, we've figured out this idea of
12 bringing liquified natural gas all the way across the
13 Pacific Ocean is a brain-dead idea. To think we need to
14 import additional fossil fuels, when we live in Southern
15 California, when the sun is the brightest, when our need for
16 energy is the greatest, that we cannot take advantage of
17 solar energy that's here all the time. Yes, it's not at
18 night, we can be a little bit more efficient in our usage.
19 We haven't taken into account that.

20 I'm actually very insulted by that guy who was
21 saying that BHP Billiton was a great corporate neighbor. I
22 think they've proven themselves not to be a great corporate
23 neighbor, the fact that they're saying that they're bringing
24 natural gas to Southern California, when this project hasn't
25 been approved, it makes it look like you guys are

T004-259

Sections 1.2.2, 1.2.3, 1.2.4, 3.3.1, 3.3.2, and 4.10.1.3 contain information on the need for natural gas, the role and status of energy conservation and renewable energy sources, and the California Energy Action Plan.

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1 irrelevant.

2 And I hope you're not, because I've been watching
3 Dwight Sanders take notes, and I've been watching Cheryl
4 Karpowicz taking notes. I hope you're actually going to be
5 processing this information.

6 It's clear that the people in this area do not
7 want this. The city government of Oxnard doesn't want this
8 and has come out against it. And if this project does go
9 forward, in light of how many unmitigated risks there are, I
10 think this would be a dereliction of your duty.

11 Thank you for listening.

12 (Applause.)

13 MODERATOR GRANT: Lupe Anguiano.

14 MS. ANGUIANO: My name is Lupe Anguiano. I have
15 lived in this community for over 50 years. And I have gone
16 through many, many earthquakes, and I have seen the
17 destruction of what pipelines can bring. I have seen fires,
18 I have seen homes destroyed.

19 And when I first heard Billiton, Kathy present her
20 proposal to us in the Hispanic chamber, I questioned the
21 issue of safety regarding the pipelines. And that question
22 has not been answered, yet.

23 I have two, a niece and a nephew that go to
24 school, to Rio Mesa, and just moving the pipeline at a
25 certain distance is not sufficient. When we drive and take

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Continued

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Section 4.13.1 contains information on sensitive land uses in proximity to proposed and alternative pipeline routes, such as schools. There are no schools in the immediate vicinity of either of the proposed pipeline routes. Section 4.2.8 describes regulations regarding pipelines, including the requirement to establish public education programs to prevent and respond to pipeline emergencies. Section 4.2.8.4 contains information on the estimated risk of Project pipeline incidents. Section 4.16.1.2 describes emergency planning and response capabilities in the Project area.

The proposed pipelines within Oxnard city limits would meet standards that are more stringent than those of existing pipelines because they would meet the minimum design criteria for a U.S. Department of Transportation (USDOT) Class 3 location. Also, MM PS-4c includes the installation of additional mainline valves equipped with either remote valve controls or automatic line break controls. SoCalGas operates high-pressure natural gas pipelines throughout Southern California.

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1 the kids to school, and we go through the freeway, that
 2 pipeline, is going to be there. And when the expected
 3 earthquake happens, and all experts tell us, and there has
 4 been research over research, and we are expecting and
 5 preparing for that earthquake, those pipelines are going to
 6 ignite and are going to blow.

7 Sixty-seven percent of the population in Oxnard
 8 are Latino. And this morning a Latino, who belongs to a
 9 labor union, and calls himself "The Big Latino," but is paid
 10 and has received a lot of favors from BPH Billiton, stood
 11 before you and said that Latinos need this, and that it's
 12 not going to harm Latinos.

13 Well, I venture to say that the majority of -- the
 14 organizations that represent Latino population are LULAC,
 15 CAUSE, and the GI Form, and the El Concelio (phonetic), all
 16 of them are opposed to LNG, our Mayor.

17 So it's very important that that be corrected in
 18 the record, that Latinos are opposed to this project because
 19 of the harm that it will bring to our community.

20 I have a written report that I want to share with
 21 you, and I think that the issue of the pipeline --

22 MODERATOR GRANT: Your time is up.

23 MS. ANGUIANO: -- has not been addressed.

24 (Applause.)

25 MODERATOR GRANT: The next grouping of speakers.

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Continued
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Section 4.11 contains information on seismic and geologic hazards and mitigation that specifically addresses the potential damage to proposed pipelines from a direct rupture along fault lines. Appendices J1 through J4 contain additional evaluations of seismic hazards.

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Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

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1 William Stafford, Rachel Pratt, Sandee Bates, Peter Hurst,
2 Danny Carrillo, Deborah Meyer Morris.

3 William Stafford? Is William Stafford here?

4 Rachel Pratt.

5 MS. PRATT: Good evening, Panel, thank you for
6 waiting up with all of us.

7 My name is Rachel Pratt and I'm a resident of
8 Oakview. I am speaking on behalf of the residents of Oxnard
9 and all other residents that might be impacted by potential
10 disasters due to if this port should come in.

11 I'm also speaking on behalf of all life on this
12 planet.

13 I'd like to address the Section 4.6 of the report,
14 which is called "Air Quality." Many emissions were
15 addressed in this section, but there was a notable omission,
16 which was carbon dioxide.

17 There is -- other speakers have mentioned the
18 dangers of global warming, and I want to reemphasize those,
19 because the burning of natural gas, in itself, is putting
20 more carbon dioxide into the atmosphere.

21 And then importing natural gas from the other side
22 of the world, about half-way around the world, would require
23 a huge amount of fossil fuel just to transport it here.

24 And has been mentioned, this is liquified natural
25 gas. I don't know about the temperature, somebody said it's

T004-264

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

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Sections 4.6.1.4 and 4.6.2 contain information on Project emissions of greenhouse gases and recent California legislation regarding emissions of greenhouse gases.

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1 minus 260. That's very cold, it takes an enormous amount of
 2 pressure to liquify this gas and keep it this cold, in order
 3 to keep it liquid. That takes an enormous amount of energy
 4 in the form of burning fossil fuels and putting more carbon
 5 dioxide into the atmosphere.

6 It was mentioned earlier, by one of the proponents
 7 of this plan, that BHP Billiton would be a good long-term
 8 neighbor. I want to present to you carbon dioxide, a very
 9 long-term neighbor. And it's not local just to Oxnard, it
 10 is a long-term neighbor to all life on this planet.

11 Now, we know it's easy to visualize many of the
 12 disasters that could happen. If this port is put out there,
 13 the threat of terrorists, the cracks in the pipeline, an
 14 earthquake, and remembering that most of the devastation, I
 15 believe, of the San Francisco earthquake was due to fires,
 16 not the actual structures falling down.

17 But you might want to try to visualize some of the
 18 catastrophes caused by global climate change.

19 We have a really clear one, recently, in our
 20 records, which is Katrina, which is definitely related, it's
 21 increase of strength due to global climate change and the
 22 heating of the planet, of the ocean.

23 We have had, as was mentioned earlier, two
 24 hundred-year floods in the last several years. I've been a
 25 resident of Oakview for 20 years. And at first I thought,

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Continued

T004-266

Table 4.2-2 and Sections 4.2.6.1 and 4.2.7.6 contain information on the threat of terrorist attacks. Section 4.2.8 addresses natural gas pipelines. Section 4.2.8.4 discusses the estimated risk of Project pipeline incidents. Section 4.2.8 contains information on safety requirements for pipelines. Section 4.13.1 discusses the proximity of the proposed pipeline routes to residences and schools.

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Thank you for the information.

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1 when I was coming here to speak, I was speaking on behalf of
2 the planet, global climate change, and of the residents of
3 Oxnard.

4 MODERATOR GRANT: Your time is up.

5 MS. PRATT: Thank you.

6 (Applause.)

7 MODERATOR GRANT: Thank you.

8 Sandee Bates.

9 MS. BATES: Hello, I'm a member of the
10 International Association of Workforce Professionals.

11 And first of all I would like to address some of
12 the public comments. When the sun isn't shining and the
13 wind isn't blowing, we can store that energy.

14 And secondly, it's been pointed out to me by the
15 lady I was sitting next to, is that we're not besieged by a
16 malaria epidemic in this area.

17 I'm an Oxnard resident and I have many concerns.
18 I'll mention three of them. One is the wetlands at Ormond
19 Beach, which is where the, as to my understanding, the
20 current proposal, the pipeline would be going near Ormond
21 Beach.

22 The wetlands are extremely important to the
23 environment. And in California we've lost most of our
24 wetlands.

25 (Applause.)

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Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

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As described in Section 2.3.2, the shore crossing would be installed beneath Ormond Beach. Sections 4.8.1 and 4.14.1.2 discuss Ormond Beach wetlands. Section 4.8.4 discusses mitigation measures to minimize impacts on wetlands. The presence of the pipelines under Ormond Beach would not restrict access to the area for recreation or otherwise alter recreation opportunities at Ormond Beach. During construction, the horizontal directional boring activities would be contained within the Reliant Energy property, and the pipeline would be buried underneath the beach. This topic is discussed further in Sections 4.15.4 and 4.2.8.4. Updated information about the restoration efforts at Ormond Beach is included in Section 4.13.2.

T004-268

T004-269

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1 MODERATOR GRANT: Please continue.

2 MS. BATES: Okay. Next is the danger. LNG is
3 highly flammable and its leakage could create an easily
4 ignited vapor cloud.

5 A terrorist attack on an LNG tanker would cause
6 major injuries and significant damage to structures a third
7 of a mile away.

8 LNG accidents have caused serious loss of property
9 and life in the work, and in the United States.

10 A third concern is pollution. I've raised four
11 children here, I have two grandchildren. One has asthma.

12 I don't want to move, none of us want to move.
13 And I wonder what would happen to the property values in
14 this area if many of us decided to leave Oxnard.

15 MODERATOR GRANT: Thank you.

16 Peter Hurst. Is Peter Hurst here?

17 Danny Carrillo.

18 MR. CARRILLO: Good evening. Or I guess good
19 night, now.

20 I'll be brief because a lot of my comments have
21 already been stated. But, again, my name is Danny Carrillo.
22 I'm the current District Director for the League of United
23 Latin American Citizens, LULAC, the nation's largest and
24 oldest Latino civil rights organization, now into our 77th
25 year.

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T004-270

Section 4.2.7.1 contains information on the properties and hazards of natural gas. Section 4.2.7.6 contains information on public safety risks due to an accident at the FSRU, including a vapor cloud dispersion.

T004-270

T004-271

Table 4.2-2 and Sections 4.2.6.1 and 4.2.7.6 contain information on the threat of terrorist attacks.

T004-271

T004-272

Appendix C3-1 contains information on LNG accidents.

T004-272

T004-273

Sections 4.6.4 and 4.18.4 discuss the Project's potential impacts on air and water quality.

T004-273

T004-274

Section 4.16.1.2 contains information on property values.

T004-274

T004-275

Thank you for the information.

T004-275

T004-275 Continued

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1 We have councils that are made up of members that
 2 live throughout this county. Specifically, we have two
 3 councils here, in the City of Oxnard, and one in the City of
 4 Port Hueneme.

5 I'm here to represent LULAC Ventura County. I
 6 have lived in this county for over 40 years, in the City of
 7 Ventura, as well as my parents, my brother, and my sister.

8 For the record, LULAC Ventura County strongly
 9 opposes this project.

10 (Applause.)

11 MODERATOR GRANT: Please continue.

12 MR. CARRILLO: There are so many unknowns about
 13 this project. Why aren't alternative methods of energy
 14 being brought to us?

15 Let's take a step back, as we've heard before, and
 16 let's look at another fuel that is being provided to us
 17 right now, oil and gasoline. Who's profiting from these
 18 prices and who's paying for it at over \$3.00 a gallon? We
 19 are, as well as you are.

20 Who made the decision to install this facility
 21 near this working class community, as you've heard, 80
 22 percent Latino, and who really stands to gain from this?

23 This comes down to a quality of life issue.
 24 Because there are so many unknowns, we ask that you don't
 25 gamble with the quality of our lives for the sake of

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T004-275
Continued

T004-276

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-277

Sections 1.2.2, 1.2.3, 1.2.4, 3.3.1, 3.3.2, and 4.10.1.3 contain information on the need for natural gas, the role and status of energy conservation and renewable energy sources, and the California Energy Action Plan.

T004-276

T004-278

The CLSC, the USCG, and MARAD received an application for a deepwater port off the shore of Ventura County and have therefore analyzed that location. Section 4.19.4 contains information on environmental justice concerns. The methodology used in Section 4.19 is consistent with the U.S. Environmental Protection Agency's environmental justice guidelines and the methodology adopted by the California State Lands Commission to implement its environmental justice policy.

T004-277

T004-278

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1 profits. Thank you.

2 (Applause.)

3 MODERATOR GRANT: Thank you.

4 Deborah Meyer Morris.

5 MS. MORRIS: Good evening. My name is Deborah

6 Meyer Morris, I'm the President of the Oxnard Council PTA.

7 I'm here in a volunteer capacity, no one is paying me to be

8 here, unlike some of the previous speakers.

9 There's been a number of articulate people that
10 have already gone before me, so I would just reiterate a
11 couple of the highlights.

12 One is Section 6.1, wherein the report concedes
13 that significant impacts cannot be mitigated. And,
14 apparently, there's 20 remaining significant impacts, which
15 is 20 too many. Actually, one would be too many.

16 (Applause.)

17 MODERATOR GRANT: Please continue.

18 MS. MORRIS: I ask you, if you lived in this city,
19 if you would want this within the thousand yards of your
20 school, your children's school or your house? I'm sure the
21 answer would be no, and you wouldn't want your parents or
22 anyone that you know to live there, either.

23 The risk of the air pollution is so great that I
24 just can't imagine allowing this project to go forward with
25 that many, 270 million tons of air pollution being given off

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T004-279

The EIS/EIR contains substantial mitigation to avoid or reduce potential significant impacts to a level below significance criteria.

The EIS/EIR identifies and assigns significance to all levels of impacts as required by NEPA. The EIS/EIR also identifies unavoidable significant (Class I) impacts. The Administrator of MARAD under the authority of the Deepwater Port Act, the California State Lands Commission, and the Governor of California have to balance the benefits of the Project against its unavoidable environmental risks. In accordance with section 15093 of the State CEQA Guidelines, the CSLC would have to make a Statement of Overriding Considerations addressing Class I impacts prior to approval of the proposed pipeline lease application.

The lead Federal and State agencies share the responsibility to ensure that mitigation measures are implemented. Table 6.1-1 in Chapter 6 is the basis for the Mitigation Monitoring Program, which would be implemented, consistent with section 15097(a) of the State CEQA Guidelines, to ensure that each mitigation measure is incorporated into Project design, construction, operation, and maintenance activities.

T004-279

T004-280

Section 4.13.1 contains information on sensitive land uses in proximity to proposed and alternative pipeline routes, such as schools. There are no schools in the immediate vicinity of either of the proposed pipeline routes. Section 4.2.8 describes regulations regarding pipelines, including the requirement to establish public education programs to prevent and respond to pipeline emergencies. Section 4.2.8.4 contains information on the estimated risk of Project pipeline incidents. Section 4.16.1.2 describes emergency planning and response capabilities in the Project area.

T004-280

The proposed pipelines within Oxnard city limits would meet standards that are more stringent than those of existing pipelines because they would meet the minimum design criteria for a U.S. Department of Transportation (USDOT) Class 3 location. Also, MM PS-4c includes the installation of additional mainline valves equipped with either remote valve controls or automatic line break controls. SoCalGas operates high-pressure natural gas pipelines throughout Southern California.

T004-281

T004-281

The Project has been modified since issuance of the March 2006 Revised Draft EIR. See Section 1.4.2 for a summary of Project changes. Section 4.6.1.3 contains revised information on Project

emissions and proposed control measures. Section 4.6.4 discusses the health effects attributed to air pollutants and includes revised impacts and mitigation measures.

T004-281 Continued

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1 each year that this thing is functioning, as well as 670
 2 tons during construction. It's mind-boggling.

3 I wanted to address also the fact that some of
 4 these people that have spoken here tonight have been paid.
 5 We heard, previously, from Marcelo de Andrade. I happen to
 6 have his bio. He runs a consulting company dedicated to
 7 managing social and environmental issues and impacts brought
 8 about by large oil, gas, mining, forestry and infrastructure
 9 projects.

10 He was hired, recently, apparently by BH Billiton,
 11 to meet with members of migrant farmworker families and
 12 groups, to try and influence them. They had a meeting on
 13 the 19th, which was this morning.

14 And I want you to -- when you hear from these
 15 people, I want you to take what they have to say with great
 16 assault. Because clearly they're being paid, they're not
 17 here, looking out for our best interests.

18 We don't have malaria, we have earthquakes. We
 19 have potential terrorists, we have potential other
 20 catastrophes, even human error. And they won't be here in
 21 the long run, we will. Thank you.

22 (Applause.)

23 MODERATOR GRANT: I'm about to call the next group
 24 of names. Let me remind you that the purpose of this
 25 meeting is to address your comments to the Panel about the

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T004-281
Continued

T004-282

T004-282

Thank you for the information.

T004-283

Section 4.11 contains information on seismic and geologic hazards. Appendices J1 through J4 contain additional evaluations of seismic hazards. Table 4.2-2 and Sections 4.2.6.1 and 4.2.7.6 contain information on the threat of terrorist attacks. The hazard identification study explicitly considered human factors in identifying potential hazards (see Appendix A of the IRA in Appendix C1). Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-283

T004-284

Section 4.16.1.2 contains information on property values.

T004-285

Section 4.14.4 contains information on potential noise impacts and mitigation measures to address such impacts.

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1 Environmental Impact Report for this project.

2 The next group of names are Dr. Michale Abram,

3 Paul Jenkins, Casey Walker, Susan Betouliere, Paul

4 Betouliere, and Phil White.

5 Dr. Michale Abram, are you here?

6 Paul Jenkins, are you here?

7 Casey Walker, are you here? Would you please come
8 forward?

9 MS. WALKER: I'm so upset about this whole LNG
10 thing, my blood pressure has been up ever since. I really
11 disagree with the statement that property values would not
12 be expected to be impacted.

13 I live at Oxnard Shores Mobile Home Park, and
14 maybe BHP doesn't know it, but it's not really a trailer
15 park, you have to buy your property to live there.

16 And I could probably sell my new, manufactured
17 home, with an ocean view, for about 500,000, before the
18 plant goes in.

19 However, I couldn't relocate anywhere on the
20 coast, this close to L.A., for less than a million. And on
21 top of that, I don't want to relocate.

22 So there is punitive damages, financial damages I
23 believe I will incur.

24 And with the noise, which could be, possibly,
25 similar to a vacuum, ten feet from your head, that was a

T004-284

T004-285

T004-285 Continued

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1 comparison that was given, I don't think I can deal with
2 that.

3 The traffic. We all thought Gonzales and Victoria
4 was almost done. Now, they'll play on that, again. I don't
5 know what other streets are impacted.

6 It takes 250,000 gallons of diesel fuel to get one
7 of those barges here. I think what Oxnard really needs,
8 Malibu, all of us are going to be way too impacted, the
9 noise, and the traffic, and the danger. I just think we
10 need our own little commercial and like the guy said, he was
11 ready to die to stop this.

12 I get a little bit crazy, myself. But, you know,
13 we have -- and sometimes you have to do radical, carnival,
14 crazy things to get on television, to get the truth out.
15 Like breasts for bombs, or whatever, you know. And it's
16 just got to happen. Thank you.

17 (Applause.)

18 MODERATOR GRANT: Susan B-e-t-o-u-l-i-e-r-e, Susan
19 Betouliere.

20 Paul Betouliere.

21 Phil White.

22 MR. WHITE: Thank you. My name is Phil white, I'm
23 a lifelong resident of Ventura County and I'm a consulting
24 engineer and the President of A Group Mechanical Engineers,
25 in Ventura.

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T004-285
Continued

T004-286

T004-286

Section 4.17.4 contains information on traffic impacts. The Santa Barbara Channel/Mandalay Shore Crossing/Gonzales Road Pipeline Alternative is evaluated as an alternative in the EIS/EIR; it is not the proposed Project as described in Section 2.4.

T004-287

T004-287

The FSRU would be anchored and moored 12.01 NM (13.83 miles or 22.25 km) off the coast. LNG carriers would be powered by natural boil-off gas from their LNG cargo during their transit of California Coastal Waters and would never be any closer to the coast than the FSRU.

T004-288

T004-288

Sections 4.14, 4.17, and 4.2 contain information on Project noise, traffic, and public safety impacts.

T004-289

T004-289

Thank you for the information.

T004-290
Thank you for the information.

143

1 Because of my background as an engineer, I believe
2 I have the standing to comment on the dangers posed by the
3 proposed LNG facility. Following graduation from college,
4 my first employment as an engineer, in the late sixties, was
5 with Rockadyne, in Canoga Park. My specialties there
6 included the development of ignition systems and combustion
7 devices for the Apollo and space shuttle hydrogen, oxygen
8 rocket engines, and the development of explosive devices for
9 testing the combustion stability of those engines. I also
10 perform computer modeling of combustion fluid flow and heat
11 transfer phenomenon.

12 In 1970 I came to work at the Ventura County Air
13 Pollution Control District and worked as an engineer, and
14 eventually became the Director of the APCD.

15 One of my many tasks was to develop procedures for
16 reviewing new sources of air pollution in the county,
17 including modeling the effects of emission plumes from
18 pollution sources.

19 I learned about modeling the transport of plumes
20 from the Environmental Protection Agency, and that was at a
21 time when the leaders of the EPA actually respected science
22 and promoted environmentalism.

23 In 1976 I started a consulting engineering
24 business, which continues today. In the 1970s I worked with
25 local residents, like Jane Tolmach, to study and oppose the

T004-290

T004-290 Continued

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1 proposed LNG facility in Oxnard. Then, as now, the concern
 2 was the extreme danger posed by LNG near highly populated
 3 areas.

4 I firmly believed then, and I believe now, that
 5 LNG facilities should not be located near highly populated
 6 areas.

7 I would like to pass on the following observations
 8 about the report's conclusions regarding the analysis of
 9 catastrophic events. Everyone must understand the
 10 limitations of modeling physical phenomenon. Mathematical
 11 models are not reality. No one should ever think otherwise.
 12 While mathematical models may accurately depict physical
 13 phenomenon sometimes, at other times they can be extremely
 14 inaccurate.

15 There has never been a very large scale LNG
 16 release to show scientists how a huge cloud would behave.
 17 All tests done to date are for relatively small releases.
 18 And because of this, all models of large-scale releases have
 19 the profound uncertainty of not being backed by actual
 20 experience.

21 Table ES1, in the EIR, states that the modeling of
 22 the explosive cloud was performed using a wind speed of two
 23 meters per second --

24 MODERATOR GRANT: Mr. White, your time is up.
 25 You're free to submit your comments in writing.

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T004-290
Continued

T004-291

Section 3.3.7 contains information on the specific California locations considered in the alternatives analysis. The deepwater port would be 12.01 nautical miles (13.83 miles) offshore, as shown on Figure ES-1.

T004-291

T004-292

To date, there has never been a large spill of LNG to water. Conducting a large LNG spill to validate the models would result in adverse environmental consequences. However, models are commonly validated using experimental data. Section 2.3.4.2 of Appendix C1 contains information on tests executed by the U.S. Department of Energy and the calibration/verification of the Fire Dynamics Simulator model used in the Independent Risk Assessment. Appendix C1 provides additional information on this topic and Appendix C2, prepared by the U.S. Department of Energy's Sandia National Laboratories, contains information on the review and assessment of the models used.

T004-292

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1 MR. WHITE: Okay.
2 (Applause.)
3 MODERATOR GRANT: Ellen Bougher-Harvey.
4 The next group of names, Ellen Bougher-Harvey,
5 Alan Widmeyer, Kurt Preissler. As I call your name, if you
6 can move towards the front. Jim Hensley and Gordon Birr.
7 Alan Sanders.
8 Ellen Bougher-Harvey.
9 MS. BOUGHER-HARVEY: Good evening, thank you for
10 your time.
11 I'm a native of California, I've been a teacher in
12 Oxnard School District, for an elementary school, for 25
13 years. And I have a son that's 11, who spoke here last
14 time.
15 We definitely oppose this project, and on behalf
16 of all my friends and family in the City of Oxnard, and hope
17 that you take care of our environment.
18 I have a little comment to read. These comments
19 focus on the profound impacts of Cabrillo Port will cause to
20 Oxnard's areas coastal views, essentially a fundamental
21 alteration of the coastal character.
22 If allowed, the Cabrillo Port and its 160-foot
23 tall tanks will be visible from Malibu's coastal bluffs, to
24 the hiking trails of Santa Monica mountains, to the beaches
25 of Oxnard and Ventura. It will become a permanent feature

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T004-293

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-294

Section 4.4 and Appendix F contain information on visual resources, impacts, and mitigation. Appendix F describes how visibility from various distances was evaluated and provides additional simulations prepared for viewpoints at elevated sites along the Malibu coastline and inland areas.

T004-293

T004-294

T004-294 Continued

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1 in the ocean's vistas as the Channel Islands National Park,
 2 and will establish a looming industrial presence in the
 3 views of south coast boaters navigating offshore. Who,
 4 incidentally, will be able to hear the facility from miles
 5 away and it will remain so for nearly half a century.

6 At well over 1,000 feet from the mooring to stern,
 7 this offshore LNG factory would be similar in length to the
 8 largest construction vessel in the world, such as Nimitz
 9 Class aircraft carriers and the largest oil tankers.

10 The DEIR report claims that because Cabrillo Port
 11 will basically resemble a vessel in shape and length, it
 12 will not become anonymous or unusual feature of our area's
 13 views.

14 This naive assumption fails for two key reasons.
 15 First, the sheer size of the terminal is unlike anything
 16 else offshore. Standing 260 feet above the water line, the
 17 Cabrillo Port might become the tallest structure offshore
 18 our area.

19 It's visually monolithic storage tanks will reach
 20 higher than the deeps of the Santa Barbara Channel oil
 21 platforms. While the last tower of its gas-venting step
 22 will extend an additional hundred feet.

23 And the length of the Cabrillo Port will stretch
 24 many times longer than the reef. In all dimensions, the
 25 Cabrillo Port dwarfs most all normal vessels. The Revised

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T004-294
Continued

T004-295

T004-296

T004-297

T004-295

Section 4.14.4 contains information on potential noise impacts and mitigation measures to address such impacts.

T004-296

Section 4.4 and Appendix F contain information on visual resources, impacts, and mitigation. Appendix F describes how visibility from various distances was evaluated and provides additional simulations prepared for viewpoints at elevated sites along the Malibu coastline and inland areas.

T004-297

Figure 2.2-1 shows the height of structures above the loaded waterline, which is also discussed in Section 4.4.1.1.

T004-297 Continued

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1 DEIR report states that the docked LNG tankers will be
2 indistinguishable from the FSRU when side by side.

3 If LNG carrier ships, themselves, since some of
4 the largest ships in the world are visually dwarfed by the
5 height of the Cabrillo Port relative to common container
6 ships and fishing vessels, this thing will appear uniquely
7 and ominously immense.

8 Second, unlike the Cabrillo Port LNG factory,
9 vessels in the project area are transient. They're not
10 permanently in place within the view shed. They move
11 through, in, and now they're gone.

12 A visitor is just as likely to see an empty
13 horizon as a passing ship, when looking out to sea. This
14 kinetic, dynamic characteristic is a fundamental component
15 of the maritime aesthetic of our area. One some of us may
16 even enjoy.

17 In contrast the permanent emplacement of this
18 terminal is that every sunset and clear day will
19 fundamentally distinguish it from the boats and ships that
20 it supposedly resembles. With its shape, and size, and its
21 unmoving permanence, Cabrillo Port would be an unprecedented
22 new industrial presence offshore, that would fundamentally
23 alter the character of the ocean as we know it.

24 MODERATOR GRANT: Ms. Harvey, your time is up.

25 MS. BOUGHER-HARVEY: Thank you.

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T004-297
Continued

T004-298

Section 4.4 and Appendix F contain information on visual resources, impacts, and mitigation. Appendix F describes how visibility from various distances was evaluated and provides additional simulations prepared for viewpoints at elevated sites along the Malibu coastline and inland areas.

T004-299

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-298

T004-299

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1 (Applause.)

2 MODERATOR GRANT: Alan Widmeyer.

3 MR. WIDMEYER: Hello, I'm a local resident and I
4 resent being a guinea pig for the untested technology that
5 doesn't exist. They said they have similar projects, but
6 they are not the same.

7 The project report, in the index, shows that the
8 alternatives eliminated from further analysis included
9 energy conservation, renewable energy resources,
10 retrofitting existing power plants or expanding current
11 pipeline systems. Why were those eliminated from further
12 analysis? They are the best analysis.

13 The hazard estimates in page or section 3.4-41
14 indicate that the models that they used to assess damage and
15 danger are associated with the breaching of one or two of
16 the moss tanks. I don't know what a moss tank is, but the
17 tankers that I've seen have -- the photo that I've seen of
18 one has five tanks on it, not one or two.

19 The report indicates, on the following page, that
20 the other scenarios considered that an ignition source is
21 present and if one single tank blew up, that it could cause
22 other tanks to fail due to thermal stress.

23 And then down further, on line 32, they say the
24 worst credible case scenario of a breach in two moss tanks.
25 Well, again, they're talking two tanks. The tankers have

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T004-300

Section 2.1 contains information on design criteria and specifications, final design requirements, and regulations governing the construction of the FSRU. The Cabrillo Port must be designed in accordance with applicable standards, and the U.S. Coast Guard has final approval. Section 4.2.4 contains information on Federal and State agency jurisdiction and cooperation. The Deepwater Port Act specifies regulations that all deepwater ports must meet; Section 4.2.7.3 contains information on design and safety standards for the deepwater port. Section 4.2.8.2 contains information on pipeline safety and inspections. Impact EJ-1 in Section 4.19.4 addresses additional pipeline design requirements in areas of low-income and minority communities. The EIS/EIR's analyses have been developed with consideration of these factors and regulations and in full conformance with the requirements of NEPA and the CEQA.

T004-301

Sections 1.2.2, 1.2.3, 1.2.4, 3.3.1, 3.3.2, and 4.10.1.3 contain information on the need for natural gas, the role and status of energy conservation and renewable energy sources, and the California Energy Action Plan, including why the alternatives were eliminated from further consideration.

T004-302

T004-302

As stated in Section 4.2.3, "[t]he IRA evaluated the potential consequences of an accident and fire based on the total volume of LNG that would be stored on the FSRU or in an LNG carrier while berthed at the FSRU during unloading. The amount of LNG that would be released would never exceed the total storage capacity of the FSRU because prior to the arrival of LNG carriers delivering LNG to the FSRU, the FSRU would regasify enough LNG and send it to shore via the offshore pipelines to make room for the new delivery."

NEPA does not require "worst-case analysis" but does require the agency to prepare a summary of existing relevant and credible scientific evidence and an evaluation of adverse impacts based on generally accepted scientific approaches or research methods. However, the Independent Risk Assessment (IRA) (Appendix C1) defines and evaluates representative worst credible cases (scenarios of events that would lead to the most serious potential impacts on public safety). These included accidents that would affect one, two, or all three tanks of the FSRU.

As shown in Tables 4.2-1, 4.2-2, 4.2-7, and 4.2-8, the release of the contents of all three tanks (the entire contents of the FSRU and an

attending LNG carrier) is addressed in the escalation scenario associated with a large intentional event. Section 4.2.7.6 contains additional information on how intentional events are addressed. Although the 2006 U.S. Department of Energy's Sandia National Laboratories third-party technical review of the 2004 IRA found that the three-tank simultaneous release (a massive LNG release in a short time period) was not credible, Sandia recommended the consideration of a cascading (escalation) three-tank scenario.

T004-302 Continued

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1 five tanks. So what kind of an analysis is that, when
 2 you're talking about an explosion or a result double, two
 3 and a half times that size. I don't think that's a very
 4 careful analysis.

5 They also don't consider that there would be or
 6 could be a collision between these ships. They assume that
 7 there will be no such collision. I think an appropriate
 8 analysis would be to consider the possibility that an
 9 accident could happen because, of course, we know that they
 10 do. I think that should be considered, as well.

11 I don't think that we should be made a guinea pig
 12 for this type of situation. There are other alternatives
 13 and new technologies, which are going to bring the ability
 14 to extract natural gas from our own resources are just going
 15 to multiply tenfold, at least, because there are new
 16 technologies coming online to recover natural gas from
 17 existing wells and new wells, that have not yet been
 18 completely brought to market.

19 They're going to be so profoundly more successful
 20 at extracting natural gas, that this will be a waste of
 21 money and an unnecessary danger for the residents of
 22 California. Thank you.

23 (Applause.)

24 MODERATOR GRANT: Kurt Preissler. Followed by Jim
 25 Hensley, followed by Gordon Birr.

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T004-302
Continued

T004-303

Section 4.3.4 contains information on the potential for ship collisions (see Impact MT-2). An independent evaluation of potential collisions of vessels with the FSRU is contained in Appendix C1. The collision analysis conducted for the IRA included those ships capable of damaging the FSRU (see Appendix F of Appendix C1).

T004-303

As stated in Section 4.2.3, "[t]he LNG carriers would use routes that are farther from shore than the FSRU and therefore farther away than the FSRU from most recreational boating and fishing areas and the vessel traffic lanes. As such, LNG carriers would not present risks or hazards to the general onshore public while in transit to the FSRU. Since the objective of the IRA was to evaluate risks to the public, it did not consider the potential effects of an accident at an LNG carrier during transit to the FSRU."

T004-304

T004-304

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

150

1 MR. PREISSLER: Hello, my name's Kurt Preissler,
 2 I'm a resident of Ventura. I'm not going to go over what
 3 people have said. There's definitely a problem with the air
 4 quality, there's going to be a lot of problems with other
 5 health issues.

6 My concern is basically very simple, there's two
 7 parts to this. One is right now, the national government,
 8 under our current President, is basically trying to build in
 9 the gates of the Arctic National Park. This is kind of our
 10 gates to the Arctic National -- not national park, but
 11 national animal preserve. This is a national park, you
 12 don't build in a national park. We're right in Channel
 13 Islands National Park, we're in Santa Monica National
 14 Recreation area, Pt. Mugu State Park.

15 I just don't see why you put a terminal right in
 16 the middle of that, it's going to affect a national -- a
 17 pristine area, which is what we're supposed to be
 18 protecting.

19 Second of all, we are also building right in an
 20 area that has national security problems with our country.
 21 Pt. Mugu is a naval weapons center, they do a lot of
 22 experimentation on the radar, rockets, the space -- the star
 23 wars. There's a lot of stuff that's happening that a
 24 terrorist group is going to want to hit these tanks because
 25 they're going to be a way of saying, hey, if we hit these

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Figure 2.1-2 shows the locations of selected existing offshore industrial facilities and activities, including the coastwise traffic lanes, in relation to the proposed Project. Table 4.3-1 contains information on the number and representative sizes of vessels transiting the Project area. The FSRU would be removed at the end of its in-service life (40 years), as discussed in Section 2.8.1.

Section 4.15.4 discusses impacts on recreational activities. The FSRU is not located in or near any park or recreational area. The boundary of the Channel Islands National Park is more than 17 NM away at its closest point on Anacapa Island. Table 2.1-2 contains additional information on distances from the FSRU to points-of-interests and the potential expansion of the CINMS. The Santa Monica Mountains National Recreation Area is more than 12 NM away from the FSRU, as are all other State parks and recreation areas. The only recreational facility crossed by the proposed onshore pipelines is the multi-use trail along the South Fork Santa Clara River in Santa Clarita, which would be temporarily affected during construction but restored afterwards. Additional view simulations from recreation areas have been added to Appendix F.

T004-306

Impacts MT-5 and MT-6 in Section 4.3.4 contain information on potential impacts to the Point Mugu Sea Range or SOCAL Range complex. Table 4.2-2 and Sections 4.2.6.1 and 4.2.7.6 contain information on the threat of terrorist attacks.

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T004-306 Continued

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1 tanks, we can knock out Pt. Mugu, we can cause massive
2 problems to the USA.

3 We look at these tankers as being going to the
4 terminal. What about when they are not at the terminal,
5 when they are closer to the Pt. Mugu National Naval Weapons
6 Center?

7 There's a lot of things. There's the
8 geostationary work that all of our satellite, our GPS
9 signals are all conducted at Pt. Mugu.

10 And for terrorists know about this. I mean, it's
11 not just a health problem, it's a national security problem.

12 And then there's the President, you don't put
13 these things in your national parks, period. And that's it.

14 (Applause.)

15 MODERATOR GRANT: Jim Hensley.

16 MR. BIRR: I'm Gordon Birr, a resident of Channel
17 Islands Beach. I'm going to address my concerns towards the
18 public safety hazards and the risk of this project and its
19 impact on both Ventura and Los Angeles County coastline.

20 The true worst case analysis, as Mr. Graves
21 earlier pointed out, is never addressed in the EIR. It only
22 mentions the deliberate release of LNG occurring well
23 offshore that could affect boaters, fisherman, and
24 commercial ships in the impact area, only.

25 It also mentions hijacking, collisions, missiles,

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Continued

T004-307

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

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Table 4.2-2 and Sections 4.2.6.1 and 4.2.7.6 contain information on the threat of terrorist attacks. Table 4.2-2 provides information on representative hazards and threats considered in the public safety analysis, including hijacking of the FSRU or an LNG carrier. Section 2.2 of the Independent Risk Assessment (see Appendix C1) contains information on the Security Vulnerability Assessment conducted for the proposed Project. Appendix C3-2 contains information on marine safety and security requirements.

NEPA does not require "worst-case analysis" but does require the agency to prepare a summary of existing relevant and credible scientific evidence and an evaluation of adverse impacts based on generally accepted scientific approaches or research methods. However, the Independent Risk Assessment (IRA) (Appendix C1) defines and evaluates representative worst credible cases (scenarios of events that would lead to the most serious potential impacts on public safety). These included accidents that would affect one, two, or all three tanks of the FSRU.

T004-307

T004-308

As shown in Tables 4.2-1, 4.2-2, 4.2-7, and 4.2-8, the release of the contents of all three tanks (the entire contents of the FSRU and an attending LNG carrier) is addressed in the escalation scenario associated with a large intentional event. Section 4.2.7.6 contains additional information on how intentional events are addressed. Although the 2006 U.S. Department of Energy's Sandia National Laboratories third-party technical review of the 2004 IRA found that the three-tank simultaneous release (a massive LNG release in a short time period) was not credible, Sandia recommended the consideration of a cascading (escalation) three-tank scenario.

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1 small craft bombs, et cetera, all occurring well offshore,
2 all of which are declared as highly unlikely.

3 The LNG carriers, themselves, are part of the
4 equation for the worst-case scenario. Yet, the EIR states
5 that the tankers would not come any closer to the coast than
6 to port, and would not present any risk or hazards.

7 The true worst-case scenario is that of a tanker
8 or the port unit, itself, intentionally run ashore and
9 ignited along the Pacific Coast Highway. If such an act was
10 accomplished, where PC runs along the surf line, the
11 explosion will change the geography of Southern California
12 forever. Goodbye PC for the next one hundred years.
13 Such a disaster is never addressed.

14 Also, the damage to property and populations are
15 ignored, such as injuries, property loss, impact on housing,
16 impact on transportation, medical response and the like.

17 The Ventura and the Los Angeles Assessor's
18 Preparedness Plans are ignored, totally. Within these
19 plans, the property loss in dollars, the deaths, the
20 injuries, the hospital impacts, highway closures, and
21 impacts to railroads are all evaluated.

22 What I wish to ask BHP is where is the body count?
23 The only mention of any such resemblance is a comparison
24 chart of vehicle accidents, trucks, bicycles, motorcycles,
25 and air traffic risk. That's not a comparison of this

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Continued

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NEPA does not require "worst-case analysis" but does require the agency to prepare a summary of existing relevant and credible scientific evidence and an evaluation of adverse impacts based on generally accepted scientific approaches or research methods. The lead agencies directed preparation of the Independent Risk Assessment (IRA), and the U.S. Department of Energy's Sandia National Laboratories independently reviewed it and concurred with the approach and conclusions, as discussed in Section 4.2 and Appendix C1. The approach focused on potential consequences of an accident and feasible mitigation because an accident can happen, no matter how unlikely. The IRA (Appendix C1) defines and evaluates representative worst credible cases (scenarios of events that would lead to the most serious potential impacts on public safety). The IRA also includes information on frequencies for the scenarios considered. As discussed in Section 4.2.6.1, which contains information on the frequency analysis, "(t)he frequency of probability of arson, intentional sabotage, or an intentional attack cannot be reliably estimated. However, consequences of an intentional attack on an LNG carrier or the FSRU and its associated pipelines are expected to be bracketed by the analyses of worst credible case scenarios, which were defined and evaluated without regard to the likelihood of any sequence of events that would lead to this event actually occurring. Thus, they would be no worse than the scenarios analyzed in the IRA."

Sections 2.1 and 4.2.7.3 contain information on design criteria and specifications, final design requirements, and regulations governing the construction of the FSRU and LNG carriers. Impacts PS-1 and PS-2 and Table 4.2-9 contain information on Applicant proposed measures (AMs) and the need for and effectiveness of other proposed mitigation. Most of these measures represent industry practices for design of structures handling hazardous materials.

T004-310

Section 4.2.7.6 and the Independent Risk Assessment (Appendix C1) contain information on public safety impacts from various incidents at the FSRU. The analysis indicates that the maximum impact distance of an accident would involve a vapor cloud dispersion extending 6.3 nautical miles (7.3 miles) from the FSRU. The FSRU would be located approximately 12.01 nautical miles (13.83 miles) offshore; therefore, consequences of an accident involving LNG transport by carrier and storage on the FSRU would extend no closer than 5.7 nautical miles (6.5 miles) from the

shoreline. Figure ES-1 depicts the consequence distances surrounding the FSRU location for worst credible events.

T004-311

The IRA (Appendix C1) defines and evaluates representative worst credible cases (scenarios of events that would lead to the most serious potential impacts on public safety) based on the recommendations of Sandia National Laboratories. The IRA also includes information on frequencies for the scenarios considered. The executive summary states "given the many safety features that have been incorporated in the design of the proposed Project, accidents at the FSRU would be rare and would not reach shore, even in the case of a worst credible release such as a deliberate attack..." It also states that "(t)he IRA did not estimate frequencies of intentional acts, due to great uncertainties in such estimates." It indicates that although the three- tank scenario is credible, "more likely scenarios would lead to smaller pool fire hazards." The executive summary also states that "...the Moss tank design demonstrates a very robust design against marine collisions. Only vessels with very specific geometry, strength, and speed have the physical capacity to penetrate the hull's structural steel and breach the cargo containment. The IRA concludes that accidental marine collisions are improbable." Section 4.2.6.1 contains information on the frequency analysis, which is also described in the IRA for each scenario (see Appendix C1).

T004-311 Continued

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1 project. Where is the body count?

2 I also notice the glowing error in Table 4.4.1,
3 describing residential areas and their distances to the
4 facilities. It lists Hollywood By The Sea, and Silverstrand
5 Beach as low, medium density. This area is built out with
6 densities as high as 28 houses per acre. That's not low
7 density. That's not even high density, but extremely high
8 density.

9 Please do a better job in obtaining your data.

10 MODERATOR GRANT: Mr. Birr, your time is up.

11 MR. BIRR: Other parts of your document can be
12 suspect. Thank you.

13 (Applause.)

14 MODERATOR GRANT: Is Jim Hensley here? Is Jim
15 Hensley here?

16 Alan Sanders.

17 MR. SANDERS: That's Sanders.

18 MODERATOR GRANT: I'm sorry.

19 MR. SANDERS: My name is Alan Sanders. And I
20 wanted to say a few words about Ormond Beach and Ormond
21 Beach Observers, which is an organization I chair.

22 Ormond Beach Observers was founded many years ago,
23 really because of the issue of LNG, when one of Ventura
24 County's great environmental heroines, Roma Armburst, took
25 some time to visit Ormond Beach and explore the possible

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Continued

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The table cited states "low medium density housing near Hollywood by the Sea and Silver Strand Beach" and is meant as a general descriptor for the purposes of identifying distances to the FSRU. Current zoning maps for Hollywood by the Sea show that the area is zoned primarily for "coastal low-density multiple-family" and "coastal medium density multiple-family." Silver Strand is zoned "residential beach harbor," the purpose of which is to provide for development and preservation of unique beach-oriented residential communities with small lot subdivision patterns; not more than two dwellings are permitted per lot.

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Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-313

T004-314

Thank you for the information.

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1 effects of an LNG proposal that had been made in the
2 seventies.

3 And, fortunately for us, that proposal, which was
4 to site an LNG facility right in the heart of Ormond Beach
5 Wetlands, went by the way. But then we faced another
6 proposal around the turn of the century, around the year
7 2000. And, again, that proposal went by the way in large
8 part due to another State agency, the California Coastal
9 Conservancy. The Coastal Conservancy has spent in excess of
10 \$20 million acquiring property in the Ormond Beach area.

11 And it's evident to me that this environmental
12 review, both the original copy and the revised draft, have
13 not looked into the impacts of bringing LNG pipelines
14 onshore to an area which is already documented as one of the
15 most critical habitat areas in Southern California.

16 What we have right now is a situation where one
17 State agency is investing money in trying to protect a
18 valuable resource, and that involves restoration plans,
19 which there are studies ongoing, and another State agency
20 faced with the prospect of how you could possibly permit the
21 urbanization of that area due to the pipelines coming
22 onshore.

23 The specifics in the environmental document did
24 not address the real impacts, the sensitive biological
25 resources in there. Ormond Beach Observers will join the

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T004-314
Continued

T004-315

The shore crossing would be installed beneath Ormond Beach. Sections 4.8.1 and 4.14.1.2 discuss Ormond Beach wetlands. Section 4.8.4 discusses mitigation measures to minimize impacts to wetlands. The presence of the pipelines under Ormond Beach would not restrict access to the area for recreation or otherwise alter recreation opportunities at Ormond Beach. During construction, the horizontal directional boring activities would be contained within the Reliant Energy property, and the pipeline would be buried underneath the beach. This topic is discussed further in Sections 4.15.4 and 4.2.8.4. Updated information about the restoration efforts at Ormond Beach is included in Section 4.13.2. Section 4.20.3.8 discusses potential impacts on restoration efforts at Ormond Beach.

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Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

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1 Sierra Club and many other environmental organizations in
2 calling for a revision and redraft, the opinion expressed by
3 the Sierra Club, previously. I think this is really
4 important.

5 All those years ago, when an environmental review
6 was done for that first LNG proposal, the documentation of
7 the biota of the Ormond area was superior to what's been
8 presented here, and I'm sure that's because of the rush to
9 judgment that's taken place.

10 But I urge you to do a better job of looking at
11 those impacts.

12 MODERATOR GRANT: Mr. Sanders, your time is up.

13 MR. SANDERS: Thank you very much.

14 (Applause.)

15 MODERATOR GRANT: The next group of people. Mary
16 Ann Lish, Matthew Katz, Owen Bailey, Clarissa Job, Trevor
17 Smith. Are any of you present?

18 Mary Ann Lish, are you present?

19 Matthew Katz, are you present?

20 Owen Bailey, are you present?

21 Clarissa Job, are you present?

22 Trevor Smith, are you present? All right, begin,
23 sir.

24 MR. BAILEY: I'm Owen Bailey. Thank you. I went
25 to Malibu yesterday, and I'm here tonight, and I appreciate

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Continued

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1 all of your time listening to the comments of both
2 communities. Thank you so much for this opportunity.

3 (Applause.)

4 MR. BAILEY: The fact that we're back here at
5 square one, looking at a brand-new Draft Environmental
6 Report, is a clear indicator of how deeply flawed the first
7 document was. And the massive attendance last night, in
8 Malibu, and here in Oxnard, gives us a very clear picture
9 that this is still not a document that we can support.

10 My name is Owen Bailey, I'm an organizer with
11 Sierra Club's Great Coastal Places campaign, and I stand
12 here today on behalf of parents and grandparents in Oxnard,
13 who are worried about 279 plus tons of pollutants every
14 year, that their children and their grandchildren are going
15 to be breathing in.

16 I'm here, today, with Sierra Club members and
17 conservationists who worry about the unnecessary risks for
18 the Ormond Beach Wetlands and threats from accidents,
19 explosions, security sonar systems to migrating whales and
20 dolphins. And I stand here on behalf of future generations
21 for whom we need to act.

22 We do not need more foreign fossil fuels. We can
23 and must power California's future with clean, safe and
24 renewable sources of energy. This project does not address
25 the kind of alternatives that California needs.

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A Revised Draft EIR was recirculated under the CEQA in March 2006 for an additional public review period of 60 days. Sections 1.4 and 1.5.3.2 contain additional information on this topic.

T004-318

The Project has been modified since issuance of the March 2006 Revised Draft EIR. See Section 1.4.2 for a summary of Project changes. Section 4.6.1.3 contains revised information on Project emissions and proposed control measures. Section 4.6.4 discusses the health effects attributed to air pollutants and includes revised impacts and mitigation measures.

T004-319

As described in Section 2.3.2, the shore crossing would be installed beneath Ormond Beach. Sections 4.8.1 and 4.14.1.2 discuss Ormond Beach wetlands. Section 4.8.4 discusses mitigation measures to minimize impacts on wetlands. The presence of the pipelines under Ormond Beach would not restrict access to the area for recreation or otherwise alter recreation opportunities at Ormond Beach. During construction, the horizontal directional boring activities would be contained within the Reliant Energy property, and the pipeline would be buried underneath the beach. This topic is discussed further in Sections 4.15.4 and 4.2.8.4. Updated information about the restoration efforts at Ormond Beach is included in Section 4.13.2. Figure 4.13-1 has been revised.

T004-320

Impact BioMar-5 in Section 4.7.4 contains updated information on potential noise impacts on the marine environment and mitigation measures to address such impacts.

T004-321

Sections 1.2.2, 1.2.3, 1.2.4, 3.3.1, 3.3.2, and 4.10.1.3 contain information on the need for natural gas, the role and status of energy conservation and renewable energy sources, and the California Energy Action Plan. Sections 3.3.1 and 3.3.2 address conservation and renewable energy sources, within the context of the California Energy Commission's 2005 Integrated Energy Report and other State and Federal energy reports, as alternatives to the Project.

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1 The question is not should we let BHP Billiton
2 pollute our air and threaten our quality of life. The
3 question is why, if we can through simple conservation, and
4 through efficiency for existing power plants, free up twice
5 the energy than we can create with any LNG terminal, why
6 aren't we doing that?

7 The question is why are we not taking advantage of
8 the bounty of Southern California, the sun and the wind to
9 affordably and efficiently eliminate the need for any LNG?
10 Why aren't we doing that? Real alternatives, real clean
11 energy.

12 I also want to take just a quick second to thank
13 everybody who came out tonight. It's easy to stay home and
14 it's challenging to come out. It's scary to come out in
15 front of the community, in front of the cameras, in front of
16 decision-makers. But more than 500 people came out tonight
17 to oppose this project. You could have stayed home. And I
18 am in awe of you, and I thank every one of you for coming
19 and staying this late. Thank you.

20 (Applause.)

21 MODERATOR GRANT: Trevor Smith. Again, I'll
22 remind you to direct your comments to the Panel about the
23 EIR. Thank you.

24 MR. SMITH: Okay. Hi, Mr. Sanders. Cheryl. I
25 can't read that far. Thank you for being here and listening

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T004-322

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-323
Thank you for the information.

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1 to us, still.

2 I'm Trevor Smith, I'm a 20-year Oxnard resident.

3 Before that I was a 20-year Malibu resident. Before that I
4 was a 20-year or 15-year Santa Monica residents. My folks
5 still live in Malibu. They have a beautiful view of the
6 very exact site of the project. I visit them all of the
7 time and I'm very aware of the aesthetic impact.

8 I'm the Chair of the Ventura County LNG task force
9 for the Las Padres Chapter of the Sierra Club. And I'm just
10 here to support the City of Oxnard and Malibu's opposition
11 to the project. I'm proud to be a resident of Oxnard, it's
12 a city that cares, that's their motto.

13 And I'm hiding behind them, now. I was a first
14 activist and alarmist in spreading the word but, you know, I
15 feel that they have a strong position on this project and
16 I'm going to trust them to do the right thing.

17 I agree with the Oxnard's experts, Aspen
18 Consultants, who say that the EIR is still deficient.
19 There's up to 20 class one impacts, maybe half a dozen are
20 class one and maybe another half a dozen are class two, but
21 possibly are class one, depending on how you fudge the
22 figures. I think that the risks clearly outweigh the
23 benefits.

24 And if I have time, I'm just going to go over the
25 two areas of the cumulative impacts analysis from Aspen

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1 Consultants.

2 On page 13 of their submission, on point 101, and
3 I'll just quote them, "both CEQA and NEPA" -- "CEQA's
4 California Environmental Protection Quality Act and NEPA's
5 National Environmental Protection Act require that past,
6 present and reasonably foreseeable impacts from other
7 projects should be considered in all analysis."

8 This was not done. In this document, as an
9 example, the air quality analysis, 4.203.6 states,
10 "cumulative adverse effects on air quality would not be
11 likely to result from existing oil and gas leaks in
12 conjunction with the project."

13 However, there is no discussion or analysis
14 regarding 43 oil and gas leases that are currently producing
15 and do contribute to cumulative impacts of air quality, as
16 well as other resources.

17 1.102, CEQA and NEPA also require that an agency
18 consider that cumulative impacts can result from
19 individually minor, but collectively significant projects
20 taking place over a period of time. CEQA guideline, section
21 15255, many of the projects listed in the document are often
22 not considered in the actual resource analysis or discussed
23 individually in comparison to the proposed project. As
24 discussed in both CEQA and NEPA, the cumulative analysis is
25 supposed to consider the cumulative impacts for all other

T004-324

Section 4.20.1.6 contains information on offshore oil and gas leasing. As shown on Figure ES-1, there are no oil or gas projects in the vicinity of the proposed FSRU. The cumulative impacts analysis has been conducted to account for those projects that are reasonable and foreseeable, in accordance with NEPA and the State CEQA Guidelines. See section 15130 of the State CEQA Guidelines, with which the document complies. Existing facilities are not contemplated in the requirements of this section. Accordingly, related environmental impacts, which have already occurred or are occurring subsequent to previous governmental approvals, are reflected in the baseline conditions described throughout the document.

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1 projects, and an increment added by the proposed project.

2 We recommend that the cumulative analysis be
3 revised in the FEIR/FEIS.

4 If I just have a second, I think this project is a
5 global problem and I think that Australia may have a good,
6 clean source, but I think maybe they should fuel tankers in
7 Australia and send it around the world from there.

8 MODERATOR GRANT: Mr. Smith, your time is up.

9 MR. SMITH: Thank you.

10 (Applause.)

11 MODERATOR GRANT: Our next group of speakers. Joy
12 Harrington, John Zaragoza, Jr., Chris Hooke, Mary Haffner,
13 Cynthia Faust. Are you here?

14 Joy Harrington?

15 MS. HARRINGTON: Hi, my name is Joy. I live in
16 Oxnard for 18 years. And Port Hueneme Beach is my favorite
17 place in the world. Every day I try to walk there and it's
18 the most beautiful place. And I think the birds agree with
19 me. They're there in the morning, they're there at noon,
20 they're there in the evening. They look at the sunset. And
21 it appalls me that something ugly will be placed there.
22 So that's my personal reaction to this whole thing.

23 Now, practically speaking, too, Oxnard is not a
24 poor place, it's not a poor city at all. If you will be
25 watching the real estate prices here, these are like almost

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Continued

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Section 4.4 and Appendix F contain information on visual resources, impacts, and mitigation. Appendix F describes how visibility from various distances was evaluated and provides additional simulations prepared for viewpoints at elevated sites along the Malibu coastline and inland areas.

T004-327

Section 4.16.1.2 contains information on property values.

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T004-327 Continued

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1 the same as L.A. So you should include economic impact
2 because once there's that ugly thing on the beach already,
3 the psychological impact on people trying to come here, and
4 live here.

5 I feel that Oxnard is just now being discovered
6 for the last, probably, three to four years -- three to five
7 years. Because before, my house was just like hundred
8 twenty, we bought it for like hundred thirty. I just sold
9 it last year, it was almost six hundred. So don't say that
10 we are poor.

11 The land is so beautiful here because of the
12 beach. It is the last of the Southern California coastline
13 between Malibu and Santa Barbara, which are the rich places.
14 And I feel that we are rich that way because of that place.
15 In fact, I like it better because we are not crowded at all.
16 I can watch on that beach by myself and just be with the
17 birds.

18 I cannot imagine watching that Australian metal
19 there. So I feel emotional about it.

20 (Applause.)

21 MODERATOR GRANT: Is John Zaragoza, Jr. here?
22 John Zaragoza, Jr.?

23 Chris Hooke?

24 Mary Haffner, or Hoffner?

25 Cynthia Faust?

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Continued

T004-328

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

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T004-329

Thank you for the information.

T004-330

Table 4.2-2 and Sections 4.2.6.1 and 4.2.7.6 contain information on the threat of terrorist attacks.

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1 Moving to the next group. Terry Smith, Bert
2 Perello, Joseph O'Neill, Dr. Alison Totum, and Marcia
3 Cummings.

4 Terry Smith?

5 MS. SMITH: Good evening, Mr. Sanders.

6 MODERATOR GRANT: Can you lift your microphone.
7 Yes, thank you.

8 MS. SMITH: And Ms. Karpowicz. I'm Terry Smith,
9 I'm an Oxnard -- lived in Oxnard for 30 years. And I'm
10 speaking in order to alert our community, our leaders, and
11 this Panel about the danger our community is in with respect
12 to being a terrorist destination. This is not scare
13 tactics, as one of the other speakers alluded to, but is
14 based on a personal incident I had.

15 I showed my rental unit, in Surfside Three, to a
16 suspicious person that I reported to the FBI, from what
17 happened. I'd be glad to share the incident with anybody
18 that wants to talk to me further. And the FBI actually did
19 call me, saying that they were looking for this person, but
20 that he moves before they can catch up to him.

21 This was a very frightening experience for me.

22 A liquid natural gas port would put our lives, our
23 homes, and our peaceful community in grave danger.

24 And my phone number is 648-5433, if you'd like to
25 talk to me about the incident, with the details.

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1 We could develop public transit systems, like the
2 excellent one that Sydney, Australia has. Isn't it ironic
3 that Australia is sending their liquid natural gas to us,
4 but they have managed to be able to do without it and
5 transport people around. Thank you.

6 (Applause.)

7 MODERATOR GRANT: Bert Perello.

8 MR. PERELLO: Hello, my name's Bert Perello, I'm a
9 resident of Oxnard. I've been asked to read a statement by
10 Marcia Cumming Hubbard, who's also a resident of Oxnard, who
11 could not attend. Her statement.

12 "It takes energy, lots of energy to turn
13 liquid natural gas back to usable gas,
14 up to 30 percent of the delivered LNG
15 would be needed for that purpose. The
16 burning of natural gas produces 117,000
17 pounds of carbon dioxide, CO2, per
18 billion British thermal units of
19 compressed gas, consumed gas. As
20 everyone knows, CO2 is a powerful
21 greenhouse gas. The National Ocean and
22 Atmospheric Administration has just
23 released their numbers for CO2 in our
24 atmosphere. The current level is '381
25 parts per million and raising at an

T004-331

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

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Thank you for the information. Sections 4.6.1.4 and 4.6.2 contain information on Project emissions of greenhouse gases and recent California legislation regarding emissions of greenhouse gases.

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T004-332 Continued

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1 alarming rate.' Last year we saw the
2 largest rise in CO2 on record. This
3 must not be allowed to continue.
4 Although Governor Schwarzenegger has
5 called for a reduction of greenhouse gas
6 emissions by 25 percent, by 2020, it is
7 too little, too late. We need to start
8 now. James Hansen, NASA's leading world
9 scientist on global warning, warns that
10 if the rising trend in greenhouse gases
11 is not reversed in the next ten years,
12 we will reach the 'tipping point,' that
13 is a point of no return. Isn't it
14 obvious that we don't want to burn an
15 additional 30 percent more natural gas
16 that will actually be used off the coast
17 of California, especially off our
18 coast."

19 And my own comments. Some very good comments, I
20 appreciate the opportunity to speak. I do believe that we
21 need to have a public evidentiary hearing to prove the need
22 for this project based on data, scientific data and sworn
23 testimony.

24 The scenarios that are addressed with respect to
25 the terrorism, we live in an area where it has two local

T004-332
Continued

T004-333

Section 1.2.1 contains information on the USCG and State formal hearings.

Following publication of this Final EIS/EIR, MARAD, the USCG, and the CSLC will serve public notice and hold final hearings. MARAD and the USCG will hold at least one final DWPA license hearing in accordance with 33 CFR 148.222. After the final license hearing is concluded by MARAD and the USCG, the Commandant (CG-3PSO), in coordination with the Administrator of MARAD, will consider any requests for a formal hearing as specified in 33 CFR 148.228. The CSLC will hold one or more hearings to certify the EIR and make the decision whether to grant a lease.

As discussed in Section 1.2.1, the California Energy Commission (CEC) and California Public Utilities Commission (CPUC) must "carry out their respective energy-related duties based upon information and analyses contained in a biennial integrated energy policy report adopted by the CEC." Section 1.2.1 also describes the public process that is used to develop the Integrated Energy Policy Reports to ensure that California's energy-related interests and needs are met.

Section 1.5 contains information on opportunities for public comment. After the MARAD final license hearing, the public will have 45 days to comment on the Final EIS/EIR and the license application. The Federal and State agencies will have an additional 45 days to provide comments to the MARAD Administrator. The Administrator must issue the Record of Decision within 90 days after the final license hearing. The CSLC will hold one or more hearings to certify the EIR and make the decision whether to grant a lease. The California Coastal Commission will also hold a hearing. Comments received will be evaluated before any final decision is made regarding the proposed Project.

Sections 3.3.1 and 3.3.2 address conservation and renewable energy sources, within the context of the California Energy Commission's 2005 Integrated Energy Report and other State and Federal energy reports, as alternatives to the Project.

T004-333

T004-334

T004-334

Table 4.2-2 provides information on representative hazards and threats considered in the public safety analysis, including hijacking of the FSRU or an LNG carrier. Section 2.2 of the Independent Risk

Assessment (see Appendix C1) contains information on the Security Vulnerability Assessment conducted for the proposed Project. Appendix C3-2 contains information on marine safety and security requirements.

T004-334 Continued

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1 airports, that both directly take off over the ocean. The
2 site is proposed at 14 miles. What process is in place,
3 what are the plans to stop -- if a dedicated group of
4 terrorists, both domestic or foreign, receive -- are allowed
5 to get into a plane, and take off, and headed in the
6 direction of the facility or a ship, how do we stop them
7 from getting to that site before they cross the 14-mile
8 point.

9 The entertainment industry has also given us a
10 tremendous amount of scenarios about taking over a ship. If
11 a dedicated -- again, a dedicated group of individuals take
12 over a loaded LNG facility tanker, on its way to this
13 facility, en route, just off our coast, and they commander
14 the ship, how and what process is in place by the proponent
15 of this project to stop it from reaching our coast, from
16 reaching any one of the large numbers of population that
17 live along our coast?

18 I think that the project has some merit, but I do
19 not think that the project should risk the number of people
20 that this project risks in this vicinity. Thank you very
21 much.

22 MODERATOR GRANT: Joseph O'Neill.

23 MR. O'NEILL: Good evening. I want to thank
24 everybody for staying here so late. I also want to thank
25 the Officers of the Oxnard PD, I think I've felt safer here,

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Continued

T004-335

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

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1 tonight, than I have ever at any Oxnard event.

2 When I first heard about this project, it came in
3 a letter that I got from BHP Billiton, and it talked about
4 how this was a revolutionary technique, it would be the
5 right company, with the right project, and the right time.

6 And I really wanted to look at it objectively.
7 I've lived in this town for many years, I have a law office
8 in Oxnard, and I think this region is one of the most
9 beautiful places on earth.

10 So when I began to discover that BHP Billiton was
11 one of the largest companies in the world, I began to become
12 concerned about this 800-pound gorilla that was coming into
13 our town.

14 I began to read a little bit, and I don't want to
15 repeat what's been said tonight, but there was somebody who
16 testified earlier, tonight, about the quality company that
17 BHP Billiton is. And if the need to conduct some gentle
18 cross examination, I wish I could have asked that gentleman
19 some questions.

20 For example, I would have asked him if he knows
21 about the problems in New Guinea. I'd ask him if he would
22 know about the \$30 million that was paid by BHP Billiton.

23 I began to become concerned about the history of
24 this company and discovered that they go to different places
25 worldwide and they leave behind an absolute horrible mess.

T004-336

T004-336

Thank you for the information. The Applicant is required to adhere to all applicable Federal, State, and local laws, regulations, and permit requirements in the execution of all phases of the Project. Section 4.2.6 of the Revised Draft EIR states, "The environmental and occupational safety record for the Applicant's worldwide operations, including, for example, mining ventures overseas, was not considered in evaluating potential public safety concerns associated with this Project because such operations are not directly comparable to the processes in the proposed Project." The conclusions in the EIS/EIR are based on the analyses of potential environmental impacts of the proposed Project and the implementation assumptions stated in Section 4.1.7. However, the Applicant's safety and environmental record will be taken into account by decision-makers when they consider the proposed Project.

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1 And I would invite anybody from Billiton to challenge me on
2 this issue.

3 Because one of the concerns we have is this report
4 is based upon facts, and claims, and statements, and
5 proposals, and absolute truisms by Billiton, when in the
6 past we've had problems.

7 Every company that would come in with a major
8 project is a company that comes in with its baggage, with
9 its history, with its past performance.

10 I mean, the best way to determine what future
11 we're going to have dealing with someone coming in, is what
12 have they done in the past. And we have problems that's
13 been emphasized in New Guinea, in the Philippines, and the
14 gentleman's here. There are litigation against BHP in
15 Mozambique.

16 So when I read the PR statements by this nice
17 lady, Renee, claiming that BHP Billiton was a recognized
18 reputation, worldwide, as a guardian of the environment, I
19 just went radical. This type of PR statements and campaign
20 cannot hide the truth.

21 And this is where my concern is for the EIR.
22 There are statements being taken from this company that
23 we're all too willing to believe and accept as truth. In
24 the absence of any independent corroboration of the facts
25 that they're making, including safety techniques, talking

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T004-337

The lead agencies directed the preparation of the EIS/EIR and the Independent Risk Assessment, which the U.S. Department of Energy's Sandia National Laboratory independently reviewed.

T004-338

The Applicant is required to adhere to all applicable Federal, State, and local laws, regulations, and permit requirements in the execution of all phases of the Project. Section 4.2.6 states, "The environmental and occupational safety record for the Applicant's worldwide operations, including, for example, mining ventures overseas, was not considered in evaluating potential public safety concerns associated with this Project because such operations are not directly comparable to the processes in the proposed Project."

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T004-338

The conclusions in the EIS/EIR are based on the analyses of potential environmental impacts of the proposed Project and the implementation assumptions stated in Section 4.1.7. However, the Applicant's safety and environmental record will be taken into account by decision-makers when they consider the proposed Project.

T004-339

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-339

T004-339 Continued

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1 about anything they can do --

2 MODERATOR GRANT: Thank you, your time is up.

3 MR. O'NEILL: And thank you very much for being
4 here tonight.

5 (Applause.)

6 MODERATOR GRANT: Dr. Alarcom-Totten. First name
7 is A-l-a-r-c-o-m hyphen T-o-t-t-e-n. Are you present?

8 Marcia Cummings, are you present?

9 Going to the next group. Edward M. Castillo,
10 Vanessa Castillo, Melissa Castillo, are you present?

11 Going to the next group. John Praelm, Bob Gregg,
12 Anna Lopez, David Williams, Carolyn Hidalgo. Are any of you
13 present?

14 Going to the next group. Gary Krupa, Christina
15 Ortega, Dr. Oscar F. Rothchild, Todo, T-o-d-o, Temanson.
16 Are you present?

17 Please come and state your name.

18 DR. ROTHCHILD: I'm Dr. Oscar Rothchild. I live
19 in Oxnard, I'm a physician. Please excuse my appearance, I
20 just came from my gym.

21 I received my medical degree 47 years ago. And
22 during that time I saw a huge number, hundreds of cases of
23 asthma. And the fact is that the number is increasing. You
24 can confirm that with the American Lung Association.

25 There is an alarming increase in the amount of

T004-339
Continued

T004-340

Section 4.6.1.1 discusses asthma and air quality. Section 4.6.4 addresses air quality impacts of the proposed Project. Section 4.19.4 addresses air quality impacts and environmental justice considerations.

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T004-340 Continued

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1 asthma and the largest number of cases, percentage-wise, is
2 among the Latino and African-American population.

3 One of the dirty little secrets that BHP knows and
4 I hadn't heard mentioned here, yet, is that the greatest new
5 source of pollution in California is coming from China. If
6 you've been to China, as I've been, you will see that the
7 air is literally black with coal dust, and the westerly
8 winds are bringing that particulate matter over to the coast
9 of California, thereby increasing greatly the amount of lung
10 disease leading to asthma and lung cancer.

11 I simply want to say that the idea of adding
12 another pollutant to our air and watching the number of
13 cases gasping for air, as I have seen, and the number of
14 cases dying from asthma, check with the American Lung
15 Association. As I have seen, is it's an insanity to add to
16 that problem.

17 It's also unfortunate that we've increased the
18 number of homes that we have had, which increases the amount
19 of traffic, which also increases the amount of air
20 pollution. That's done. But from here forward, let's get
21 sane about this thing and not increase air pollution to a
22 greater extent than it now exists.

23 And if you'll read in these papers, that are
24 sitting out there, read the words "rapid phase transition."
25 The minute that LNG touches water, it turns instantly into a

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Continued

T004-341

The Project has been modified since issuance of the March 2006 Revised Draft EIR. See Section 1.4.2 for a summary of Project changes. Section 4.6.1.3 contains revised information on Project emissions and proposed control measures. Section 4.6.4 discusses the health effects attributed to air pollutants and includes revised impacts and mitigation measures. Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-342

Section 4.2 and Appendix C contain information on public safety. Impact AIR-3 in Section 4.6.4 contains information on the air effects of a release of LNG from the FSRU or natural gas from a pipeline rupture.

T004-341

T004-342

T004-342 Continued

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1 gas. We either breath that gas or it explodes and we breath
 2 the pollutants from that explosion. Let's get sane about
 3 this. Thank you.

4 (Applause.)

5 MODERATOR GRANT: Thank you. Please state your
 6 name for the record.

7 MR. TEMANSON: My name's Todd Temanson. I'm an
 8 Oxnard resident, business owner, land owner, and Board
 9 member of an Oxnard HOA. I'm opposed to the Gonzalez Road
 10 alternative.

11 I'm addressing comments to the Draft EIR, page 3-
 12 1, line 17, says "that alternatives are to avoid or
 13 substantially lessen any of the project's significant
 14 events."

15 While the Gonzalez Road alternative may lessen
 16 some project impacts, it increases the impacts to the
 17 community I know and love.

18 By looking at figure 4.13-2, it's clear that the
 19 alternative goes through a significant and vibrant part of
 20 the city. The Draft EIR is deficient in all areas.

21 Figure 4.13-2 shows hospitals in the legend, but
 22 does not show our largest hospital, adjacent to the Gonzalez
 23 Road alternative.

24 Page 4.13-36, lines 1 through 5, correctly
 25 identifies some approved projects, it does not include the

T004-342
Continued

T004-343

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project. The Santa Barbara Channel/Mandalay Shore Crossing/Gonzales Road Pipeline Alternative is evaluated as an alternative in the EIS/EIR; it is not the proposed Project as described in Section 2.4.

T004-344

Section 4.13 contains additional and revised information on land use near the onshore pipelines.

T004-343

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1 North Shore project, which is approved at the landing point,
2 and does not include several proposed projects, some of
3 which are significant residential towers.

4 Page 4.13-35, line 17, states "only residential
5 and agriculture," which is wrong. It needs to include
6 schools, hospitals, offices, and commercial. I believe
7 schools being most important, as the base project avoids
8 most schools, and the alternative goes through several.

9 Page 4.13-36, line 11, says "could have more
10 extensive impacts." I believe that "could" is wrong, that
11 the alternative will have more significant impacts and,
12 therefore, is inadequate in that the alternative does not
13 lessen the impacts of the project.

14 Along the same lines of thinking, lines 18 to 20,
15 on that same page.

16 So in conclusion, I'm opposed to the Gonzalez Road
17 alternative as a viable alternative. Thank you.

18 (Applause.)

19 MODERATOR GRANT: Thank you. I read through quite
20 a few names before, I'm going to go back through them, just
21 in case.

22 Dr. Alarcom-Totten, are you present?

23 Marcia Cummings, are you present?

24 Edward M. Costillo, are you present?

25 Vanessa Costillo, are you present?

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Continued

1 Melissa Costillo, are you present?
2 John Kramer, are you present?
3 Bob Grigg, G-r-i-g-g?
4 Anna Lopez, are you present?
5 David Williams?
6 Carolyn Hidalgo, H-i-d-a-l-g-o, are you present?
7 Gary Krupa, K-r-u-p-a, are you present?
8 Christina Ortega, are you present?
9 All right, I have gone through every card that has
10 been submitted at some point of the evening. In case you
11 have missed the earlier rounds of cards, I'm going to go
12 back through the ones that I have called, where people were
13 not present at the time I called the name.
14 John Zaragoza, Jr.? Chris Hooke, H-o-o-k-e.?
15 Mary Haffner, H-a-f-f-n-e-r? Cynthia Faust? Clarisa Job?
16 Mary Ann Lish, L-i-s-h? Matthew Katz? Jim Hensley?
17 Susan Betouliere? Paul Betouliere? Dr. Michale Abram?
18 Paul Jenkin? Peter Hurst? William Stafford? Brett Wagner?
19 Ralph Volpi? Marvel Vigil? Doug Van Leuven? Daniel Gomez?
20 Edward McCormick? Kathy Wilbur? Bob Wilbur? Amy Finan,
21 F-i-n-a-n? Michael Checa? Baltazar Luna? Dr. Jay
22 McPhearson? Jim Millard? Robert Rail?
23 MR. RAIL: Robert Rail is here.
24 MODERATOR GRANT: Robert Rail passed. Would you
25 like to speak, Mr. Rail?

T004-345
Thank you for the information.

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1 MR. RAIL: I'd like to speak.

2 MODERATOR GRANT: Okay. Two other names, William
3 Doyle, David Tubman. Mr. Tubman, would you like to speak?

4 MR. GRIGG: No. Is Bob Grigg one of the ones you
5 passed already?

6 MODERATOR GRANT: Bob Grigg?

7 MR. GRIGG: I'm here if -- I'm here.

8 MODERATOR GRANT: Yes, okay. So we will hear from
9 Mr. Rail.

10 MR. RAIL: My name is Robert Rail. I've
11 lived -- I grew up in the midwest, farmed, small towns.
12 I've lived in California, following my ancestors out here,
13 who came a hundred years before I -- almost a hundred years
14 before I did. I've lived 44 of these years in Ventura
15 County, and I live in Ojai. I lived and worked in Ventura
16 County 44 of those years, and 31 of those years was for the
17 U.S. Navy, at Port Hueneme, whichever direction it is from
18 us here. It's close by.

19 And as many other persons who have testified here
20 tonight, or persons who have worked for the U.S. Navy, in a
21 technical sense, and I'm one of those. I worked at the
22 Naval Civil Engineering Laboratory, which is part of the
23 Naval facility's engineering command, which is part of the
24 Navy that's on the land. Starting with docks and yards 180
25 years ago, its ports, harbors, bases, Bethesda Hospital,

T004-345

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1 High Towers -- did you get that first part?

2 MODERATOR GRANT: Yes.

3 MR. RAIL: How to protect against explosions and
4 this type of thing. I've worked in two areas that are
5 pertinent. One of the most pertinent is called physical
6 security, as compared to military security. And one of the
7 world class places for this has been, and I think continues
8 at the Civil Engineering Lab, under its new name of
9 Engineering Service Center, and so on.

10 Specifically, I'd like to comment about process.
11 Also, as part of my work for the U.S. Navy had to do with
12 alternative sources of energy that were of particular
13 interest to the Navy in certain situations, and so on,
14 including right here in the developed area.

15 I would like to make a couple of short comments
16 about the technology of certain environmental things that
17 exist. For instance, that can be and is being put in place
18 today.

19 Number one is solar panels. The reason they are
20 not being used more than they are is not because of the lack
21 of availability is that up to now they have cost more money
22 up front -- whoops, it's gone.

23 MODERATOR GRANT: Time.

24 MR. RAIL: But with the change in price --

25 MODERATOR GRANT: Mr. Rail, your time is up.

T004-346

Sections 2.2.4, 4.3.1.4, and 4.3.4 address the size of the safety zone, how it would be established, and the potential impacts on marine traffic. The FSRU would be able to rotate 360° around the mooring turret. The safety zone would extend 500 m from the circle formed by the FSRU's stern, the outer edge of the facility, rotating around the mooring turret. See Figure 4.3-4 for an illustration of the potential safety zone and area to be avoided. The safety zone could not be made any larger because its size is governed by international law.

T004-346

T004-347

Sections 1.2.2, 1.2.3, 1.2.4, 3.3.1, 3.3.2, and 4.10.1.3 contain information on the need for natural gas, the role and status of energy conservation and renewable energy sources, and the California Energy Action Plan.

T004-347

T004-348

Sections 4.6.1.4 and 4.6.2 contain information on Project emissions of greenhouse gases and recent California legislation regarding emissions of greenhouse gases.

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1 MR. RAIL: Oh, is that -- oh, I missed the first
2 part. All right. Thank you very much, I will submit a
3 written comment in the mail to you.
4 MODERATOR GRANT: Thank you.
5 (Applause.)
6 MR. RAIL: Thank you.
7 MODERATOR GRANT: Again, you have until May 12th
8 to submit written comments.
9 MR. RAIL: I'd like to take time to say thank you
10 very much.
11 MODERATOR GRANT: Mr. Grigg, would you like to
12 speak?
13 MR. GRIGG: Bob Grigg, I guess I'm the last
14 person. I have mixed comments. Some things that I think
15 are not quite being stated correctly. We have some red
16 herrings going on here. One has to do with global warming.
17 Global warming is global. This gas in the earth, there's so
18 much of it, it's going to be piped out, it's going to be
19 burned. Either we're going to burn it or somebody else is
20 going to burn it, and it's going to global warm. It doesn't
21 matter.
22 It's probably not going to be burned where it can
23 be piped. The places that have it don't have a use for it,
24 it's going to be piped somewhere. The 30 percent extra is
25 going to happen no matter what.

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1 In global times, in the type of -- it doesn't
 2 matter whether it's burned in the next ten years or the next
 3 hundred years, when you have things like global warming,
 4 that take a thousand years or so to mitigate, it doesn't
 5 matter, it's going to get burned. Better us than them, than
 6 somebody else.

7 We'll have the competitive advantage of having
 8 cleaner fuel.

9 We're not going to displace solar with it, or wind
 10 power, what we'll displace is the dirtiest, we'll displace
 11 coal. So, therefore, it has a good thing to it. We're not
 12 going to displace conservation with it, we're going to
 13 displace the dirtiest.

14 Now, should it be put where? Out here on the
 15 coast, in the middle of the Channel Islands National Park?
 16 Hmmm, maybe not. Probably not.

17 But I'm very pro-LNG, it's simply put it in the
 18 right spot. Now, whether this is the right spot or not,
 19 that's the thing you guys are going to have to figure out.
 20 It's probably going to be somewhere along our coast. But
 21 you're going to have to do it.

22 And the North American Continent is at a natural
 23 gas production plateau, and it's all downhill from here. So
 24 we need every little bit we can get to displace as much coal
 25 as we can, to give us that clean energy that will allow us

T004-349

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

T004-349

T004-350

Section 4.15.4 contains information on potential impacts on recreational activities. The FSRU is not located in or near any park or recreational area. The boundary of the Channel Islands National Park is more than 17 NM away at its closest point on Anacapa Island. Table 2.1-2 contains additional information on distances from the FSRU to points-of-interests and the potential expansion of the CINMS. The Santa Monica Mountains National Recreation Area is more than 12 NM away from the FSRU, as are all other State parks and recreations areas. The only recreational facility crossed by the proposed onshore pipelines is the multi-use trail along the South Fork Santa Clara River in Santa Clarita, which would be temporarily affected during construction but restored afterwards. Appendix F contains additional view simulations from recreation areas.

T004-351

Your statement is included in the public record and will be taken into account by decision-makers when they consider the proposed Project.

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1 to build the solar panels, will allow us to build the wind
2 turbines, to give us that boost. Again, it's better us than
3 somebody else have this.

4 That's all I have to say, thank you.

5 MODERATOR GRANT: Thank you.

6 Is there anyone in the audience who wants to
7 speak, who did not fill out a speaker card and, therefore,
8 did not get called.

9 That being said, I want to thank everyone. We've
10 gone through all the comments for this evening. Thank you
11 for your attention and attendance, this public hearing is
12 closed.

13 (Thereupon, the April 19, 2006,
14 6:30 P.M. meeting and public
15 hearing concerning the Cabrillo
16 Port Liquefied Natural Gas
17 Deepwater Port, was adjourned.)

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T004-351
Continued

CERTIFICATE OF REPORTER

I, RONALD J. PETERS, a Certified Shorthand
Reporter, do hereby certify:

That I am a disinterested person herein; that the
foregoing U.S. Department of Homeland Security, U.S.
Department of Transportation, and California State Lands
Commission public hearing on the Cabrillo Port Liquefied
Natural Gas Deepwater Port was recorded by my staff,
thereafter transcribed into typewriting, and personally
proofread by me.

I further certify that I am not of counsel or
attorney for any of the parties in this matter, nor in any
way interested in the outcome of this matter.

IN WITNESS WHEREOF, I have hereunto set my hand
this 27th day of April, 2006.

Ronald J. Peters

Certified Shorthand Reporter

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